

Decision to close Linwood despite £40m aid offer provokes widespread fury

4,800 jobs to go and 3,500 more at risk

Talbot UK's announcement yesterday that it was closing its Linwood car plant, with the loss of 4,800 jobs, provoked fury from MPs, unions, and the workers. The Government is understood to have offered the French owners up to £40m to keep Linwood open, and at Talbot's Midlands plants, the decision was seen as spelling the end of their car-making in Britain.

Linwood's closure also raises doubts about the future of the 3,500 employees at the Stoke engine and transmission plant a few miles from Ryton. It supplies these components to Linwood and also to Iran, where a version of the new discontinued Hunter is produced.

Since the Shah's overthrow, which was the biggest single export contract in Britain, once worth £150m, a year has been badly disrupted. Some shipments have resumed recently but only account for a fraction of the installed capacity at Stoke. The slump in Iranian business was the worst blow of all for Talbot UK.

Mr George Turnbull, the former managing director of British Leyland who now heads Talbot UK, said yesterday that it will now concentrate on its Midlands plants, and introduce a new small car later in the year.

But reliable sources in the industry said last night that the car in question is the French-made Horizon which is already on sale in Britain and will now be assembled at Ryton. There is apparently no question of Peugeot sanctioning expenditure to duplicate tooling for British manufacture which already has excess capacity at Poissy.

Last night, after meetings with management, Stoke shop stewards said they had failed to get any guarantee about future employment of the 20 per cent of the labour force engaged on work for Linwood.

Mr Pat Fox, transport union convenor at Ryton, said: "We hope that the decision to close Linwood is not the start of the winding up of Talbot in this country. I can only give it a guarded reception without being too optimistic."

He is pressing for an urgent meeting between union leaders and M Jean Paul Parayre, president of Peugeot, to obtain assurances about future plans in Britain.

Mr Parayre said in Paris yesterday: "Talbot is a vital part of this group, and will remain so in spite of present-day difficulties. It is our intention to maintain a strong manufacturing presence in the United Kingdom, allied to increasing sales of both Talbot and Peugeot products."

On Monday, he flew in a private aircraft to London for a one-hour meeting with Sir Keith Joseph, Secretary of State for Industry. It is understood that Sir Keith offered government assistance of up to £40m in a vain attempt to persuade him to put a new car into production at Linwood.

Peugeot sources said last night that M Parayre told Sir Keith that appalling losses at Linwood, the outdated facilities and models produced there, together with the short-term need to stem Peugeot's own losses, had left him with no room to manoeuvre. He had to act quickly to stop the haemorrhaging.

Peugeot's takeover of Chrysler's European operations two years ago was greeted with widespread optimism. It was the most solidly based motor group in Europe.

In 1975, with the aid of a French government financial package it had merged with Citroën, and the difficulties acquired then were already taking Peugeot's management team to the limit. Critics said Chrysler would only compound those difficulties.

Talbot UK lost £10m in the first half of 1980. Talbot France lost £30m and Citroën nearly £20m. Only Peugeot's original car division made profits. The latest forecasts suggest that the group lost between £180m and £200m in the year as a whole.

Denial on Nissan: Mr George Younger, Secretary of State for Scotland, discounted suggestions that Nissan, the Japanese car makers, might use Linwood for their planned car plant in Britain.

Michael Hornsby writes from Brussels. Every effort would be made to find another company to step in, he said after an EEC ministerial meeting in Brussels.



M Parayre: "Strong presence will remain."



Mrs Cynthia Dwyer, the American freelance journalist deported from Iran after spending nine months in jail for spying, said in Zurich during a four-hour stopover on her way back to America that Miss Jean Waddell, one of the four Britons held in Iran, was "in very good spirits, very hopeful" when she left her. Mrs Dwyer and Miss Waddell shared a room.

Arson suspected after eight die in second Las Vegas hotel blaze

From Michael Leapman
New York, Feb 11

Eight people died and 242 were injured in a spectacular fire that raced through several floors of the Las Vegas Hilton Hotel last night. It was the second disastrous fire in a skyscraper hotel within three months in Nevada's largest city, the gambling capital of America.

Police said they suspected arson. There appeared to have been four separate fires, the first of them starting in the evening, just before Andy Williams, the singer, was due to give his opening performance.

One of the victims was killed jumping out of a high window. The rest died from smoke inhalation before they could be rescued from the blaze.

"There were flames shooting up the side of the hotel. It looked like the towering inferno," said one of the survivors, referring to a film in which a high-rise hotel catches fire.

The November fire at the MGM Grand Hotel near by, in which 84 people lost their lives, has often been compared to the fictional fire in the film.

Questions about the safety of skyscraper hotels have been raised since last November's fire and are bound to be asked again as a result of this one. Firemen's ladders cannot reach beyond the eighth floor, where last night's fire began. If guests on floors above the fire are prevented from going down the emergency stairs, they cannot be rescued except by helicopter from the roof.

Some guests did escape by that method, others broke windows and shouted for help to the 450 firemen who fought the flames.

A guest from Chicago who was attending a convention at the hotel said: "When we got to the roof we saw flames coming up the elevator shaft through the building, so we ran over to the other side of the roof. When we saw flames there, we started to get nervous."

A Florida guest said: "We thought of the MGM fire and I was scared us half to death." The hotel was evacuated and guests were given emergency beds in the city convention centre.

Unlike the MGM hotel, the Hilton had fire alarms and sprinklers on all floors.

Mr Barron Hilton, chairman of the Hilton Corporation, said: "If the fire was deliberately set, then the resources of the Hilton Corporation would be committed to bring the person or persons responsible for this tragedy to justice."

There could be several motives for setting fire to the hotel. Like most of the large Las Vegas hotels, the Hilton has a gambling casino downstairs, and a heavy loser might feel incensed enough to try to burn it down.

Our Medical Correspondent writes: Many of the deaths in any fire catastrophe are caused by suffocation or by poisoning from inhaled gases rather than by burns although the bodies commonly become extensively burned after death.

Almost always the smoke in a burning hotel contains carbon monoxide and victims often die from poisoning from this gas, the familiar lethal constituent of coal gas.

In several recent fires the smoke from burning plastic furnishings has proved especially dangerous. Burning plastic produces unusually dense clouds of smoke, which is also a chemical irritant and so can quickly incapacitate anyone breathing it. The irritants make breathing extremely difficult.

The smoke also causes irritation and watering of the eyes. It is the combination of impairment of vision and of breathing by chemical irritation that makes escape unusually difficult in fires with a large plastic element.

Photograph, page 8

Emergency debate is refused as MPs denounce shutdown

By Hugh Noyes
Parliamentary Correspondent
Westminster

The closure of the car assembly plant at Linwood in Scotland with the loss of 4,800 jobs, which was announced yesterday by Talbot UK, brought a shocked and angry response from all parts of the House of Commons.

Mr Alexander Fletcher, Under-Secretary of State, Scottish Office, replying in the absence of the Secretary of State who was attending the talks in Brussels, told MPs that it was disastrous news for the West of Scotland.

Appealing for an emergency debate, which was refused, Mr Norman Buchan, Labour MP for West, said that he had been fighting for 16 years to preserve the factory. The decision would mean the death of the town and would raise the local unemployment figure to the unthinkable level of 20 per cent. He spoke of bitterness and anger in Linwood.

From the Labour front bench, Mr Bruce Millan, Opposition spokesman on Scotland, said that the closure was disastrous in an area already devastated by the effects of the Government's economic and industrial policies.

If the French parent company could break the pledges it had given regarding Linwood, pledges relating to Talbot's operation in Coventry could also be broken. The announcement might be the first step towards the complete withdrawal of Talbot from the United Kingdom.

He said that when Peugeot accepted obligations in 1978, they included specific pledges to keep Linwood and other British manufacturing plants open. If it had not been for those pledges, considerable sums of government money would not have been given to the company.

The Labour Party would not accept the closure.

But, for all the anxiety about the unemployment and the anger at the French decision to withdraw, Mr Fletcher could offer little immediate hope.

No offer of government funds, he said, would have attracted the company to make a new and substantial investment at Linwood for the simple reason that it was suffering from over-capacity.

Concentration of facilities was the only realistic course open to it.

Mr Fletcher added that, as well as the direct loss of 4,800 jobs at Linwood, there would be employment consequences for suppliers. He was considering what measures could be taken to generate new employment in the area before the shutdown at the end of the year.

Air control radar lost after power failure

By Arthur Reed
Air Correspondent

The London air traffic control area was without radar cover for 30 minutes on Tuesday evening after a power breakdown at the main control centre at West Drayton, near Heathrow airport.

Emergency electricity supplies were quickly switched in to give the controllers lighting and radio communication with the aircraft under their control.

The Civil Aviation Authority said last night that air safety was not endangered.

The cause of the breakdown had not been established yesterday but it had been ruled out. The West Drayton centre is manned half by civilians and half by the Royal Air Force.

The authority said: "We view this as a serious occurrence and are carrying out an internal inquiry to make sure it will never happen again."

"This is certainly the first time that such a breakdown has occurred."

During the period of the radar blackout all take-offs from Heathrow were held up and aircraft approaching the London area were asked over the radio telephone system to circle in holding patterns.

French air traffic controllers were asked to reduce the number of aircraft passing through their airspace on their way to Britain, and some take-offs from airports in Europe were delayed.

The authority added: "Radar is a vital tool, but it is possible to function safely without it using radio communications, although not at the same level of activity."

Polish Army leader pledges tough line

From Dossa Trevisan
Warsaw, Feb 11

The Polish Sejm (Parliament) today entrusted General Wojciech Jaruzelski with the difficult task of convincing the Government which has to restore order and trust in authority.

There were two abstentions, perhaps indicating a new mood in the hitherto placid voting procedure.

General Jaruzelski is to remain Minister of Defence, a post he has held continuously for more than 13 years serving under a succession of prime ministers and through three changes of Government. He is the symbol of continuity of the one and only institution which remained intact, the armed forces.

There has been no military coup; but the Government, which has so far lacked authority now has the army to back it up as well as to guarantee Poland's growing uneasy allies that the authorities intend to halt the escalation of political demands. It can now also guarantee that while it is ready to negotiate, it will not be pushed into making concessions.

The Poles have found a typical Polish solution by entrusting the Government into the hands of a career soldier who, furthermore, is a man who is opposed to the use of force and commands great respect from all strata of society. This was emphasized by Mr Stanislaw Kania, the Communist Party leader, in a brief address to Parliament recommending General Jaruzelski for the post.

He emphasized his moral qualities, his strength of character, his patriotism, the fact that throughout his career, he had been a teacher to new generations of Polish army officers, and that he had brought the army to its present high state of readiness.

He also said that he would act toughly against anarchy and all forces which were acting against socialism, but that the task standing before the Government was to negotiate and carry out promised reforms.

Continued on page 7, col 1

Adjustment in tactics admitted by Mr Pym

By Fred Emery
Political Editor

In a bold, and deliberate, attempt to restore some common sense to the Government, Mr Pym, leader of the House, last night admitted in a speech that the Government was adjusting both its tactics and timing to meet severe economic difficulties.

"Common sense tells us that the circumstances make adjustments necessary in both tactics and timing, to meet altered conditions. We will not be deterred from making this statement of the obvious by accusations of changing course. These adjustments in no way imply the abandonment of any of our main purposes nor any change in strategy," he said.

His speech, given to Pym's Conservatives the day after the Government announced the first of massive new funding measures to help British Steel, marks a deliberate counterpoint to Mrs Margaret Thatcher's out-and-out defiance to any suggestion of changing course. It also marks the Cabinet's public acknowledgement that all is not well.

Mr Pym, appointed in last month's reshuffle to have oversight over the way the Government pursues its message across the country, has discussed the new tack with the Prime Minister, and it undoubtedly represents at the very least a sober new look, though in Whitehall as usual it was professed there was nothing new.

"The simple truth is, that in the light of the deterioration in the world and domestic economic framework, we could neither press ahead regardless with our planned schedule, nor avoid some much needed measures to deal with some of the distressing effects..." Mr Pym said.

Without apology or hand-wringing he drew attention to what he called the Government's concern with the immediate problems afflicting the country; increased assistance for the young unemployed; increased selective help to development areas and

Ministers to drop sick pay scheme

By Michael Hatfield
Political Reporter

Government proposals to make employers pay the first eight weeks of sickness benefit are to be dropped from the legislative timetable after a series of ministerial meetings in the last few days.

Although a final decision has to be taken by the Cabinet today on a postponement, it is fully expected that the new Social Security Bill will not include clauses on sickness benefit.

It was evident last night that there has been disagreement among ministers because the postponement means the Government will have to seek elsewhere for cuts in the Civil Service. The estimate of the cost of the transfer of sickness benefit payments to employers some 5,000 jobs could be cut.

Ministers who argued against postponement were from the Treasury and the Civil Service Department. But the ministers responsible for social security, employment and industry, argued that the Government had to take account of criticisms from industrialists.

The Confederation of British Industry and the Engineering Employers' Federation have argued that the measure is discriminatory because it would fall hardest on the engineering industry where the incidence of sickness is high.

Small businessmen, on the other hand, have complained that firms with few employees could not bear the cost.

Under the original proposals, employers would pay the first eight weeks of sickness benefit but the employers' national insurance contribution would be reduced. The compensatory concessions offered included proposals that employers would get reimbursement, the scale of which would depend on the length of time of an individual's sickness and his amount of service.

It was stressed last night that ministers still intended to bring in transfer of sickness pay in the next parliamentary session if the Cabinet agreed to a postponement.

£3,500 bill for every job lost

Every worker made redundant costs the Exchequer almost £3,500 a year in lost tax revenues, and social security and other benefits. A 50,000 rise in unemployment over the past year is estimated to have cost the Government £170m. The direct and indirect cost to the Government of every jobless person is, however, likely to be around £5,000 a year. The state's outlay on unemployment is equivalent to more than half the £4,000m overshoot on public sector borrowing.

Herr Schmidt says he will stay at his post

Herr Helmut Schmidt, the West German Chancellor, affirmed the evening of his Socialist Democratic Party's crisis meeting, that he intended to stay at his post. Herr Kiln, a former party deputy chairman, warned the party that if it could not stop the rot "its fall from power will be unavoidable".

'Times' meeting today

Leaders of printing trade unions have been called to a meeting by Mr Rupert Murdoch's News International company today amid hopes that it is near to agreements required for the purchase of The Times, The Sunday Times and the three supplements. Mr Murdoch has given assurances on editorial independence of the supplements to a Commons committee.

Mrs Williams criticized

Mrs Shirley Williams will regret her decision to leave the Labour Party, Mr Ronald Hayward, its general secretary, said. She should have stayed inside the party and fought for democratic socialism, he added.

London to lose 4,000 acute hospital beds

London is to lose more than 4,000, or almost one in seven, of its acute medical and surgical beds in the next seven years, in return for more psychiatric, mental illness and mental handicap beds, and improved community services. Some small, local hospitals will be closed.

Diplomatic leak inquiry

Investigations are underway in Canada to find out whether a message sent by the High Commissioner in London to the External Affairs Department in Ottawa came into the hands of a television network. The message expressed fears that diplomatic telephone conversations were being tapped.

BR power drive urged

The chairman of British Rail called on the Government to approve a programme to electricity more main lines after a study group reported that that would reduce oil usage and help manufacturers win more export orders. The investment programme for the railways could cost between £250m and £720m.

Closed shop dismissal

Miss Joanna Harris, aged 20, the poultry inspector who refused to join a union, has been dismissed by Sandwell Metropolitan Borough Council. West Midlands, which operates a closed shop policy. The council's personnel officer said that the names of a number of other non-union employees had been notified.

Airline strike vote

British Airways ground staff to stage one-day stoppages that will halt operations at Heathrow.

Uganda: Troops have arrested a leading politician and businessman in the wake of the attacks on police stations this week

Classified advertisements: Appointments, 26; La crime de la crime, 26; Personal, 26; 28; Recruitment opportunities 25; Property, 6.

Choose any number...

E1
900-9,725 sq. ft. Self-contained units. Air-conditioned or centrally heated. Modern development. To be let.

EC2
40,000 sq. ft. Self-contained building. Air-conditioned. Parking. Telephone exchange. Lease for sale. 4,000 sq. ft. Self-contained unit. Air-conditioned. Parking. Low outgoing. To be let.

EC3
22,000 sq. ft. Self-contained building. New air-conditioned office development. Available May 1981.

EC4
7,500 sq. ft. Self-contained period building. Air-conditioned. To be extensively refurbished. Available December 1981. 7,800 sq. ft. Self-contained building. Central heating. Recently refurbished. Lease for sale.

For a full range of office accommodation available in the City of London, contact:

Hampton & Sons

9, Dowgate Hill, London EC4R 2TD. Telex: 25341
01-236 7831
Head office: 5, Arding Street, London SW1A 1ER.

Home News	2-4	Arts	12	Diary	17	Sport	10-11
European News	6	Books	13	Engagements	9	TV & Radio	27
Overseas News	7, 8	Business	15-22	Law Room	17	Teatime, etc.	27
Appointments	7, 22	Court	17	Law Report	17	25 Years Ago	17
Architecture	17	Crossword	28	Letters	18, 20	Weather	2

HOME NEWS

Printing union chiefs called to meeting today on 'Times' bid

By Donald Macintyre
Labour Reporter

News International's management has called printing trade union leaders to a meeting today amid hopes that the company is close to agreements required before the five Times Newspapers titles will be sold to it.

Mr Rupert Murdoch intends today to review the results of the past three weeks of negotiations. The union leaders have been told to be available for a meeting at 11 am.

Most union leaders expressed optimism last night that agreement could be reached, and further progress was made in negotiations with individual chapels yesterday. However several unresolved issues remain.

Last night the National Graphical Association (NGA) machine minders' representatives are understood to have given provisional agreement to the reduction by one press to three for night production of the Times. The NGA representatives also proposed a joint examination of machine room staffing arrangements at the Sunday Times.

Representatives of clerical workers belonging to the National Society of Operative Printers and Media Personnel (Natsopa) on both newspapers also reached provisional agreement on the basis of a reduction of about 130 posts, although the actual job loss would be closer to 10 because of the number of unfilled vacancies.

However, by last night, Natsopa machine room representatives had still not agreed to the use of only three presses on the Times.

Mr Edward O'Brien, national officer of the union, said last night: "We have told the company we do not believe they can satisfactorily produce the paper on three presses and we do not want to be blamed for shortfalls." Mr O'Brien added, however, that he

would be willing to countenance some staff reductions.

Another stumbling block involves Mr Murdoch's proposal to transfer printing of the three supplements to alternative plants. Natsopa machine chapel representatives have offered to produce the supplements on one fewer press than at present, with a consequent loss of 15 jobs, provided the supplements are kept at Gray's Inn Road.

Mr O'Brien said he nevertheless remained very optimistic of an agreement being reached with Mr Murdoch. "If you asked me I would say it is Murdoch five to one on."

Mr Leslie Dixon, president of the NGA, said last night: "We have had some tough negotiations. I believe we have come to a conclusion which is ultimately fair. I hope Mr Murdoch will reach the right decision today."

Natsopa leaders were also hoping for an agreement for the Sunday Times machine chapel where, it is believed, the Murdoch team had reduced its request for staff reductions from about 100 to about 40.

Meanwhile letters of understanding for signature by union representatives were being drawn up in the hope that the agreement could be reached today. In that case general secretaries will sign the general agreement and another covering any action they decided to take.

A meeting attended by several hundred of the 2,000 members of Natsopa at the Times last night pressed for an extension of today's deadline for agreement to allow differences to be resolved.

"New mood": Mr William Rees-Mogg, the editor of the Times, told the Foreign Press Association in London yesterday that he believed the Murdoch bid would probably succeed (the Press Association reports).

He said he would be leaving as editor "inside a very short number of weeks" if the plan was successful.

Murdoch assurances over supplements

By Diana Goddes

Mr Rupert Murdoch yesterday gave a commonsense select committee assurances on the editorial independence of the three Times supplements, but made it clear that additional safeguards agreed for the two newspapers through independent national directors would not apply to the supplements.

He also rejected the idea of including a journalist from the supplements on the board of the Times Newspapers holding company. He had thought it would be a good idea to appoint to the board journalists "of my choice" from the Times and the Sunday Times, but he did not want to increase the board's numbers further.

Mr Murdoch spent more than an hour answering questions put by the Commons Select Committee on Education, Science and the Arts. Any breach of undertakings given to the committee would constitute a contempt of Parliament and could be punishable by imprisonment. The committee plans to publish a report of its proceedings next week.

Mr Christopher Price, Labour MP for Lewisham, West, the committee's chairman, explained that in view of the statutory guarantee given to the Government in respect of the Times and the Sunday Times, the committee was anxious "to canvass what guarantees might be available for the three supplements".

Mr Murdoch said he would be happy to answer any questions but emphasized that the whole exercise is completely hypothetical. "My company has not bought Times Newspapers yet, and it may well not do so," he said. "I have not even started negotiations and until they are completed there is no certainty at all." The deadline set by Thomson British Holdings, the present owner, is midnight tonight.

Mr Murdoch added: "There seems to be a bit of a misunderstanding. People think they are doing me a favour in allowing me to take on something

that is losing £13m a year." He was not buying the Times in order to convert some kind of cultural charity.

"It is most important that everyone on the Times realizes that however important it is as a national newspaper, it is also a business," he said. "There is no greater guarantee of a newspaper's freedom of independence than its viability."

It was his firm intention to move the Printing of the three supplements out of Fleet Street. Confidential negotiations on that were still going with the unions involved.

The unions were naturally anxious to retain the minimum number of jobs, but he was interested in making the newspapers viable.

There had to be a compromise or 4,000 jobs would be lost. He intended to keep the supplements' editorial staff in London, but not necessarily in the same building as the two newspapers.

He was not prepared to give any long-term guarantees on the future of Times Newspapers; a newspaper's greatest mistake was to guarantee to continue publishing the newspapers for 21 years. However, if the papers were viable, he thought he would maintain them "for ever".

The supplements lost £14m last year, he said, adding: "It is going to take us some years to turn them round fully, and many years to do it for the Times. We are prepared to give them a good period in which to recover."

He had "no intention at all of closing anything down". He had no plans for the supplements other than to let them go. "I think they are first-class. I have neither the intention nor the time to interfere." He did not intend to bring their editorial content "down market".

Parent company's difficulties and impossibility of making doomed car plant viable 'made shutdown inevitable'

Linwood closure decision seen as a disaster for the West of Scotland

From Ronald Faux
Glasgow

There was little surprise in Linwood yesterday that the Talbot UK car plant was to close with the loss of 4,800 jobs; only awful confirmation of what the workers had feared for almost a year.

Redundancies which halved the workforce over the past decade, short-time working, and a clear slump in the car market had been the signs that led to yesterday's decision. Added to that, the factory produced the Avenger and Sunbeam models, neither of which were likely to storm the top of the market even if times had been good.

The workers, whose performance had been unflatteringly compared with that of the workers in the continental factories, complained that much of their equipment was outdated and inefficient.

When the heavy losses of the parent company, Peugeot-SA, were disclosed, any hopes of introducing a new model at Linwood and reprieving the plant finally evaporated.

Local councillors spoke gloomily yesterday about the future for the area. The West of Scotland has been badly affected by contraction of the traditional heavy industries. Rationalization has been stalking heavy engineering and steelworks in the area for years and Linwood's death could mean that eventually one male worker in four will have no job.

British Steel supplies much of the steel used by Linwood from the Gartcosh strip mill. The corporation has been trying hard in recent months to win new customers and last year began supplying steel for the mini Metro, and to Peugeot in France.

Between 5 and 10 per cent of the Gartcosh output is used by Linwood, but on a recent visit Mr Ian MacGregor, chairman of British Steel, said that if the Linwood plant was forced to close the Scottish steel industry would feel the effect.

Mr Jake Stewart, chairman of the strip

products group of British Steel, said the closure of Linwood was a serious blow to the corporation. British Steel had made determined efforts to find other markets for Scottish strip steel and some success had been achieved.

The final effect of the closure on the Scottish works would depend on how successful the present strategy proved in reducing costs and finding other outlets.

In Linwood, the closure was being looked on in the blackest terms. "A very bad day," one shopkeeper said, although he did feel the town had been half prepared for the closure.

Redundancy bill £20m, Talbot chief says

From a Staff Reporter
Glasgow

It would be impossible to turn the Linwood car plant into a viable operation, Mr George Turnbull, chairman of Talbot UK, said yesterday at a press conference in Glasgow.

"It can never be viable and it is impossible to achieve the necessary through-put," he said. "To be frank, we had to tell the Government that no matter how generous they were, we could not make it viable."

Mr Turnbull made it plain that the company had no intention of reversing its decision to close the plant. He had recommended the closure, he said, although it had been a painful decision.

"We are a volume business and unless there is sufficient volume going through the plant and sufficient return, we cannot make it pay," he said.

"The domestic market has fallen and export possibilities were negligible because of the strength of scaling Linwood had always had an export volume but this was no longer available."

He said the company's plans had been firm and successful until the end of the first quarter of 1980 when the British market began to shrink rapidly and put a complete stop to the company's affairs.

Mr Turnbull said that in his talks with Sir Keith Joseph, Secretary of State for Industry, the outstanding loan of £28m from the Government which was guaranteed by Peugeot SA had not been mentioned. The company had repaid a secured loan of £22m.

The company estimated that the redundancy bill at Linwood would be about £20m.

Peugeot steadily losing sales to its main competitors

By Peter Waymark
Motoring Correspondent

The decision to close Linwood must be seen against the background of Peugeot's growing difficulties in France, where it has been losing sales steadily to its main rival, the state-owned Renault, and to imported cars.

In 1979, Peugeot, Citroën and Talbot together held just over 43 per cent of the new car market in France, compared with Renault's 55 per cent. Last year

the positions were almost reversed, with the Peugeot group managing less than 37 per cent and Renault climbing to 40.5 per cent.

This year has seen a further slump. In a total market of 1.2 million cars, Peugeot's 1980 sales of 450,000 (57.327) Peugeot 607.033 (754.448), Talbot 302.843 (381.283). The figures relate only to cars produced in France.

Peugeot's decline in France has partly been caused by the growing popularity of the Renault 5 model against its Peugeot 104 and Citroën Visa.



Mr George Turnbull, the chairman of Talbot UK, at the Linwood press conference in Glasgow yesterday.

Scots TUC pledges backing for plant's shop stewards in fight for jobs

By Staff Reporters

Mr James Milne, general secretary of the Scottish TUC, said yesterday that the closure of the Talbot plant at Liverpool would have a disastrous effect on the West of Scotland. He said "made unemployment was 13.9 per cent with 5,000 added to the unemployment queues that could become 25 per cent."

The impact would also be felt among companies serving Linwood and its workers. The Scottish TUC would support the shop stewards at the plant in any action they decided to take to oppose the closure.

"We have to do everything we possibly can to get this decision reversed," he said. "Peugeot-Citroën must be forced to change their mind." If that campaign was unsuccessful the Government must do everything in its power to persuade another company to take over the plant or to bring new jobs into the Linwood area.

"We expect our Government to do what the French Government would have done if the boot had been on the other foot, and we had announced a closure of a British factory in France. There is some very tough action that could be taken."

Mr Milne said the Scottish TUC was not seeking to gain advantages at another area's expense. It simply wanted to safeguard the Linwood jobs. Scottish representatives of the Transport and General Workers' Union and the Amalgamated Union of Engineering Workers (AUEW) pledged support for the Linwood workers.

But Mr Hugh Wyper, Scottish secretary of the Transport and General Workers' Union, admitted that tough action would have been easier if Peugeot-Citroën had decided to withdraw completely from the United Kingdom. Any action against the company would have to take account of the wider implications of jobs in England.

National union leaders will back campaigns by the Linwood shop stewards and the Scottish TUC to reverse the closure decision, although they appeared last night to have a slim hope of success.

Mr Gavin Laird, Scottish executive member of the AUEW, said before attending a meeting with Talbot's management with other national union officers that he was appalled at a "shattering blow" to the region.

Although union officials last night's meeting stressed the closure decision and the manner of its announcement, they are likely to hold consultations with local shop stewards before deciding what steps, if any, can be taken.

Mr Laird, saying that the plant's closure would mean a unemployment rate of close to 40 per cent in the district, added: "This will leave a deep scar on the West of Scotland on the point of collapse. It is not just the plant itself but the spin-off effect on smaller businesses which have grown up in support of the plant that we are concerned about."

Mr Laird said the possibility of a ban on Peugeot-Citroën imports into this country or even occupation of the plant were options that would not be ruled out in discussions.

In any case he hoped that big campaign, the basis of which had been laid by a continued uncertainty over the plant's future coupled with short time working for months, would be launched partly through the medium of the Scottish TUC.

In Brussels, Mr George Younger, Secretary of State for Scotland, said that he was extremely disappointed and sad at the news.

Speaking to journalists in Brussels, where he was attending a meeting of EEC agriculture and fisheries ministers, Mr Younger disclosed that he was calling an urgent meeting of the Confederation of British Industries, the Scottish TUC, the Scottish Development Agency and the Scottish Economic Planning Department to see what could be done to replace the 4,800 jobs that would be lost.

Parliamentary report, page 16
Leading article, page 16
Business feature, page 16

Mrs Williams 'will regret decision'

By Michael Hatfield
Political Reporter

Mrs Shirley Williams was told yesterday by Mr Ronald Haywood, the Labour Party's general secretary, that her decision to leave the party's national executive committee was "ill advised and one which you will regret."

Mr Haywood taunted Mrs Williams over her comments on the trade union block vote. "It is the self-same block vote which elected you as a member of the national executive committee for the past 10 years," he said in a letter to Mrs Williams.

"Your 34 years membership of our party has given you the opportunity to serve the party and the country in high ministerial office and I regret that the way in which you have resigned from the NEC, with full aid from the media, can only have been designed to give maximum aid and comfort to our political opponents."

Mr Haywood said he fully supported Mrs Williams's previous public utterances where she had always maintained that party members who disagreed

with party policy should stay inside the party and work for their particular point of view. "Those of us with a lifetime membership of the Labour Party intend to continue to struggle for democratic socialism," Mr Haywood said.

Mr Alex Kitson, the party chairman, wrote to Mrs Williams: "I find some of your remarks very offensive. You and I have often argued on political issues but to infer, as I think you do, that I and others do not care about the future and the fate of the party is not only wrong but insulting."

I shall continue to fight for democratic socialism within the party and as part of that for parliamentary democracy."

Mr Wedgwood Benn, speaking at Godalming, Surrey, last night, said that those supporters of a new centre party were putting up a smokescreen by explaining that the emergence of the new group was all caused by a change in the Labour Party.

It had not changed, he insisted, what had changed was opinion in Britain about the European Economic Community.

Mr Neville Sandelson, a supporter of the Council for Social Democracy, told a meeting in his Hillingdon, Hayes and Harlington constituency: "It saddens me that the Labour Party has become a by-word nationally for all that is rotten and corrupt in political organisation."

He indicated that he would stand as a social democratic candidate at the next election. Mr Horam's decision: Mr John Horam, Labour MP for Tottenham, told his constituency party last night that he would not be available for re-election at the next General Election (the Press Association reports).

16,000 Ford workers face new lay-off as lorry drivers defy their union

By Peter Evans
Home Affairs Correspondent

Lorry drivers at the Ford plant at Dagenham, east London, yesterday defied union orders to go back to work.

Mr Ronald Todd, national organizer of the Transport and General Workers' Union, told the drivers that the union did not recognize pickets at the plant, but the men voted to stay out.

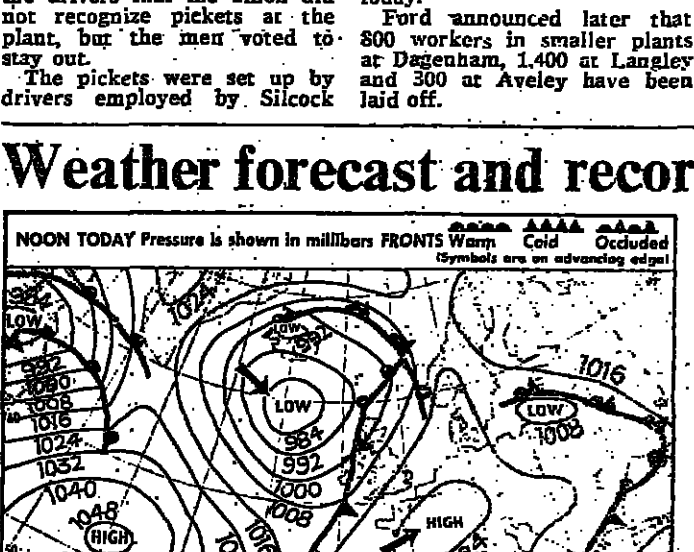
The pickets were set up by drivers employed by Silcock and Colling, one of Ford's main delivery agents.

The 16,000 Ford workers laid off after the previous dispute, who returned to work on Tuesday, face the prospect of being sent home again, probably today.

Ford announced later that 800 workers in smaller plants at Dagenham, 1,400 at Langley and 300 at Aveley have been laid off.

Weather forecast and recordings

NOON TODAY Pressure is shown in millibars. Fronts shown as advancing edges. Symbols are on advancing edge.



Today
Sun rises: 7.20 am
Moon sets: 5.10 pm
Moon rises: 1.34 am
Full moon: February 18

Lighting up: 5.40 pm to 6.49 am
High water: London Bridge 6.52 am, 6.5m; 7.42 pm, 6.3m. Avonmouth 12.33 pm, 10.9m. Dover 4.10 am, 6m; 4.48 pm, 5.7m. Hull 11.49 am, 6.4m. Liverpool 4.24 am, 6m; 4.59 pm, 6.1m. 1m = 0.3048m. 1in = 2.54cm.

Pressure will be low to the W of Scotland while a trough of low pressure will move slowly SE over NW areas.

Forecasts for 6 am to midnight:
London, SE, Central S, E England, East Anglia, E Midlands, Channel Islands: Mostly dry, rather cloudy, some bright intervals; wind S moderate or fresh; max temp 5° to 7°C (41° to 45°F).
W Midlands, SW, central N, NE England: Rather cloudy, some bright intervals perhaps later; wind S moderate or fresh; max temp 5° to 7°C (41° to 45°F).

Wales, N, NE, England, Lake District, Isle of Man, SW Scotland: Cloudy, rain or drizzle at times; perhaps heavy later, hill fog; wind S fresh or strong; max temp 7° to 9°C (45° to 48°F).

Borders, Edinburgh, Dundee, Aberdeen, Glasgow: Rather cloudy, rain at times, a few bright intervals; wind S fresh or strong; max temp 6° to 8°C (43° to 46°F).

Central Highlands, Argyll, NW Scotland, N Ireland: Cloudy, rain perhaps heavy, becoming showery with light or clear intervals; wind S strong or gale; max temp 6° to 8°C (43° to 46°F).

Moyle, Firth, NE Scotland, Orkney, Shetland: Showers and bright intervals, rain spreading N; wind S or ST, strong or gale; max temp 5° to 7°C (41° to 45°F).

Outlook for tomorrow and Saturday: Rather cold, sunny intervals and showers in the N and W, mostly dry in the SE.
Sea passages: S North Sea, Strait of Dover, English Channel (E): wind SW moderate to fresh, backing S fresh to strong; sea moderate becoming rough.

WEATHER REPORTS YESTERDAY MIDDAY: C, cloud; f, fair; r, rain; s, sun; sp, snow.
Aberdeen: C, 15.39; Edinburgh: C, 15.39; London: C, 15.39; Manchester: C, 15.39; Newcastle: C, 15.39; Norwich: C, 15.39; Oxford: C, 15.39; Plymouth: C, 15.39; Southampton: C, 15.39; Swansea: C, 15.39; Cardiff: C, 15.39; Bristol: C, 15.39; Exeter: C, 15.39; Gloucester: C, 15.39; Hereford: C, 15.39; Ipswich: C, 15.39; Leicester: C, 15.39; Lincoln: C, 15.39; Loughborough: C, 15.39; Luton: C, 15.39; Milton Keynes: C, 15.39; Northampton: C, 15.39; Peterborough: C, 15.39; Reading: C, 15.39; Slough: C, 15.39; Stevenage: C, 15.39; Sudbury: C, 15.39; Telford: C, 15.39; Torquay: C, 15.39; Walsley: C, 15.39; Warrington: C, 15.39; Watlington: C, 15.39; Welwyn: C, 15.39; Weymouth: C, 15.39; Wigton: C, 15.39; Wokingham: C, 15.39; Worcester: C, 15.39; York: C, 15.39.

Overseas selling prices
Aberdeen: 1.00; Amsterdam: 1.00; Antwerp: 1.00; Barcelona: 1.00; Bilbao: 1.00; Bordeaux: 1.00; Bremen: 1.00; Brussels: 1.00; Bucharest: 1.00; Budapest: 1.00; Calcutta: 1.00; Cardiff: 1.00; Copenhagen: 1.00; Dusseldorf: 1.00; Edinburgh: 1.00; Frankfurt: 1.00; Geneva: 1.00; Glasgow: 1.00; Hamburg: 1.00; Harrogate: 1.00; Helsinki: 1.00; Hong Kong: 1.00; Hull: 1.00; Istanbul: 1.00; Johannesburg: 1.00; Karachi: 1.00; London: 1.00; Lyons: 1.00; Madrid: 1.00; Manchester: 1.00; Milan: 1.00; Moscow: 1.00; Newcastle: 1.00; New York: 1.00; Nottingham: 1.00; Oslo: 1.00; Oxford: 1.00; Paris: 1.00; Perth: 1.00; Petrograd: 1.00; Rome: 1.00; Rotterdam: 1.00; Sheffield: 1.00; Singapore: 1.00; Stockholm: 1.00; Swansea: 1.00; Sydney: 1.00; Telford: 1.00; Tientsin: 1.00; Toronto: 1.00; Trieste: 1.00; Vancouver: 1.00; Vienna: 1.00; Walsley: 1.00; Warrington: 1.00; Watlington: 1.00; Welwyn: 1.00; Weymouth: 1.00; Wigton: 1.00; Wokingham: 1.00; Worcester: 1.00; York: 1.00.

Coal board seeks local support for pit closures

By Our Labour Editor

The National Coal Board is moving swiftly in an effort to secure local consent from the miners on its plans to close many pits and reduce the industry's labour force by up to 30,000 over the next two years.

Meetings have been called with area leaders of the National Union of Mineworkers from tomorrow to discuss ways in which the coalfields can meet new criteria for long-term viability. Between 20 and 50 pits could be closed under coal board plans.

The NCB's strategy of moving negotiation of its crisis plan from national to local level will come under strong attack today when the NUM national executive meets in London to determine the miners' next step.

Left-wing coalfield leaders are seeking to mobilize rank-and-file unrest at a mass meeting, being held after this morning's executive meeting.

BA faces lightning strikes over pay

By David Felton
Labour Reporter

British Airways faces a series of lightning striking pay strikes by 20,000 maintenance and ground service staff from the end of next week which will close the airline's operations at Heathrow airport, London.

The men, who belong to seven unions, voted at a mass meeting yesterday for industrial action after rejecting the company's latest offer, which would involve a six-month pay freeze for most workers.

Ramp workers and ground services staff, who comprise about half the airline's manual workforce at Heathrow, have

been told the company will honour an agreement on uprating index-linked salaries and overtime weighting payments due in July if the workers accept postponement of an 8 per cent pay offer.

The pay settlement was due on January 1, and was postponed until April 1 because of BA's financial crisis. A similar restructuring offer was put to leaders of 9,000 engineering maintenance workers later yesterday.

The mass meeting in an airport hanger lasted about 20 minutes and was attended by about 10,000 workers who rejected the airline's offer by an overwhelming majority. They had claimed a cost of living increase.

Several short-haul flights were cancelled because of the meeting and a few long distance flights were re-timed. A one-day strike on January 23 closed all the airline's operations at Heathrow and caused disruption for several days.

Mr Gordon Clark, chairman of the joint shop stewards committee, said yesterday's vote was very encouraging. "But I still hope we might be able to come to an agreement in time to call it off," he said. "We have given them 10 days to come up with something."

Prison officers' back call to suspend action

By Peter Evans
Home Affairs Correspondent

Prison officers yesterday backed at a national delegate conference their national executive's call to suspend industrial action.

But Mr Colin Steel, chairman of the Prison Officers' Association, was pessimistic last night about the prospects of resolving the dispute in the way in which Mr William Whitelaw, the Home Secretary, has suggested.

Mr Whitelaw has refused to go to arbitration as officers want, but sees a solution in a new attendance system. The dispute is about a claim for payment for meal breaks.

Mr Steel said that members were not at all enthusiastic about Mr Whitelaw's solution. He and other association leaders are to continue negotiations with the Prison Department.

The delegate conference yesterday was called in accordance with a timetable given in the High Court after it was ruled that the association's leadership acted unlawfully in instructing members to suspend industrial action without convening a special delegate conference.

Mr Steel said that members were not at all enthusiastic about Mr Whitelaw's solution. He and other association leaders are to continue negotiations with the Prison Department.

The delegate conference yesterday was called in accordance with a timetable given in the High Court after it was ruled that the association's leadership acted unlawfully in instructing members to suspend industrial action without convening a special delegate conference.

Mr Steel said that members were not at all enthusiastic about Mr Whitelaw's solution. He and other association leaders are to continue negotiations with the Prison Department.

The delegate conference yesterday was called in accordance with a timetable given in the High Court after it was ruled that the association's leadership acted unlawfully in instructing members to suspend industrial action without convening a special delegate conference.

Mr Steel said that members were not at all enthusiastic about Mr Whitelaw's solution. He and other association leaders are to continue negotiations with the Prison Department.

HOME NEWS

Electrification of main rail lines would bring profits and export orders, report says

A Jacob Ecclestone, a member of British Railways Board, and Mr John Palmer, an Under Secretary at the Department of Transport, the joint chairman of the study group, say that all the larger programmes showed an internal rate of return of 11 per cent.

The most ambitious scheme (option 5) would mean that by the year 2000 more than half Britain's railways would be electrified and that 83 per cent of all passengers and 68 per cent of all freight would be electrically hauled.

All the schemes examined would be profitable, though the quickest, in spite of being the most demanding in terms of investment, would give the best returns.

The report says: "If funds for railway financing were not constrained, the best course would be to choose now the largest and fastest programme."

On the question of when to begin an electrification programme, it is pointed out that much of British Rail's traction and rolling stock will have to be replaced in the next 10 to 15 years. If electrification is delayed, new diesels would have to be bought and then possibly scrapped before the end of their working life.

With an eye, perhaps, on government reluctance to commit itself to investment programmes ranging between £250m and £720m at 1978 prices, the report's authors advance arguments for going beyond what they call "a strategic decision in principle". They want a commitment to a specific programme.

The four main options examined were:

Base option 1: The existing network plus existing electrification schemes (London, St Pancras, to Bedford; Colchester to Norwich and Harwich; Bishop's Cleeve to Cambridge; Ely to Peterborough; Manchester to Euxton Junction and Preston to Blackpool; Paisley to Ayr; Kilwinning to Largs and Springburn to Cumbernauld).

Option 2: Electrification from London northwards, including the east coast main line to Leeds and Newcastle; the Midland main line via Sheffield, Birmingham to York, Edinburgh to Glasgow and Edinburgh to Carlisle.

Option 3: A medium network encompassing all the main inter-city routes, in addition to those in Option 2, those would include London to Bristol, South Wales and Plymouth; Birmingham to Taunton; Newcastle to Edinburgh, and Manchester to Leeds.

Option 4: The largest scheme, extending electrification from Plymouth to Penzance; Crewe to Holyhead; Edinburgh to Aberdeen and Doncaster to Hull. (Option 4 was not pursued after the interim report of 1979 was issued.)

The report says that decisions have to be made on when to start and how fast to work.

ELECTRIFIED MILEAGE IN EACH OPTION (excluding sidings)

Option	Route miles	Per cent of present network	Per cent of passenger and freight mileage electrically hauled
Option 1: Base	2,580	23	23
II: Modest	3,460	31	38
III: Medium	4,620	42	54
V: Large	5,750	52	68

Total BR network at 11,780 11,008

mit itself to investment programmes ranging between £250m and £720m at 1978 prices, the report's authors advance arguments for going beyond what they call "a strategic decision in principle". They want a commitment to a specific programme.

The four main options examined were:

Base option 1: The existing network plus existing electrification schemes (London, St Pancras, to Bedford; Colchester to Norwich and Harwich; Bishop's Cleeve to Cambridge; Ely to Peterborough; Manchester to Euxton Junction and Preston to Blackpool; Paisley to Ayr; Kilwinning to Largs and Springburn to Cumbernauld).

Option 2: Electrification from London northwards, in-

cluding the east coast main line to Leeds and Newcastle; the Midland main line via Sheffield, Birmingham to York, Edinburgh to Glasgow and Edinburgh to Carlisle.

Option 3: A medium network encompassing all the main inter-city routes, in addition to those in Option 2, those would include London to Bristol, South Wales and Plymouth; Birmingham to Taunton; Newcastle to Edinburgh, and Manchester to Leeds.

Option 4: The largest scheme, extending electrification from Plymouth to Penzance; Crewe to Holyhead; Edinburgh to Aberdeen and Doncaster to Hull. (Option 4 was not pursued after the interim report of 1979 was issued.)

The report says that decisions have to be made on when to start and how fast to work.

Universities divided on extra fee rises

Diana Geddes, Education Correspondent, says several universities are considering charging overseas students next year fees above the minimum levels recommended by the Government. This year nearly all have lowered the minimum fees and have suffered a big loss of income as a result.

The Government has recommended that universities should charge overseas students next year a minimum of £2,500 for first courses, £3,600 for science, and £6,000 for the clinical year of a medical, dental or veterinary course. Those fees are 20 to 25 per cent above this year's minimums but overall still well below the average full cost of a student of £1,700.

Cambridge University is proposing to charge £2,900, £4,000, and £6,400 instead. Oxford is low suit.

The Committee of Vice-Chancellors and Principals has just been to all universities urging them to think they can maximize their income by charging the recommended minimums to do so.

Every university is anxiously looking over its shoulder to see what other universities are doing to do. All are keen to maximize their incomes if they know how. Cambridge taken the plunge and set an example. But it could afford it only because it has no overseas students this year.

Brunei, on the other hand, has charged above the recommended minimums this year and offered a drop of a half in its overseas intake, is planning to cut to the recommended minimums next year.

The London School of Economics is considering charging £1,000 or £200 above the minimums, with generous waivers for those who began their courses last autumn.

The School of Oriental and African Studies, London, expects to put its fees up to £3,000 for an arts course, increase of a half.

Imperial College, London, is proposing to continue to charge minimum fees for all courses except the one-year MSc for which it is considering charging £4,000. University College London is also proposing to raise the minimum fees.

Other London University colleges are proposing to charge a 10 per cent above the recommended minimums, provided all colleges do so.

Stratford Institute of Technology, which slightly increased overseas student intake while charging full-cost fees, has decided to keep full-cost fees next year, ranging from £900 to £7,000.

City University is also considering charging above the minimums next year. But some universities, including Essex, intend to stick to the recommended figures.

Figures published by the Government yesterday show the number of first-year students of overseas students at universities, excluding CEAs, who are charged home fees, fell by 12 per cent in 1980 and 11 per cent for postgraduates this year.

West German terror suspect flies home

By Stewart Tendler, Crime Reporter

A West German wanted by the Bonn authorities for alleged terrorist activities in the early 1970s flew home last night after being arrested by detectives in London.

Michael Baumann, aged 34, is alleged to have been a member of the Movement Second June before fleeing into exile and renouncing any connexion with West German terrorist groups.

Scotland Yard said that he had left London Airport voluntarily, accompanied by West German police officers.

But Mr Lawrence Grant, a solicitor approached by Herr Baumann's friends, said he intended to protest strongly to Scotland Yard. He said that he had sought access to Herr Baumann since 2.30 pm on Tuesday but that the police had not allowed him to see the arrested suspect.

Yesterday afternoon Mr Grant sent a letter to Scotland Yard calling for access and complaining that although the police had said that Herr Baumann had stated he wanted to go back to West Germany, his decision had been made without legal advice.

Mr Grant said that shortly after Herr Baumann left Britain he received a reply from Mr Colin Hewitt, the Deputy Assistant Commissioner in charge of the Special Branch, who said that the West German had signed a statement that he wished to go home. Mr Hewitt was sure that he knew the consequences of his decision, but would be told that Mr Grant was prepared to act for him.

Herr Baumann was arrested at a house in Hackney. He is known to have been in Britain for at least eight months and was just about to start a job as a carpenter.



Michael Baumann: Left voluntarily, police say.

More closed shop rebels face inquiry at Sandwell

From Arthur Osman, Birmingham

After the dismissal yesterday of Miss Joanna Harris, aged 20, by Sandwell Metropolitan Borough Council, West Midlands, because of her refusal to join a union, it was learnt that other employees had been named for investigation.

The National Council for Civil Liberties described her dismissal as unfair, and Mr Morris McWhirter, deputy chairman of the Freedom Association, said: "We fear that this witch-hunt will now extend to another 50 or more employees."

Mr Dennis Hodgetts, the council's personnel officer, agreed that there were a number of other employees in the education department whose names had been notified.

Miss Harris, a poultry inspector, had become the first to suffer under the Labour-controlled council's closed shop policy. She heard of her dismissal during a five-minute meeting with Mr Hodgetts and Mr Stanley Hogg, the environmental health director. Her notice will expire on March 11.

She said: "I have been sacked because I refused to join the union. They altered my contract without asking me and my freedom of choice has been taken away."

Other council workers had "swallowed their pride to protect their families. To give in is sometimes harder than to fight on, and I still cannot believe that all this is happening under English law."

Mr Hodgetts agreed that she had been a good employee. If she joined a union before March 11 she would be rehired.

Miss Patricia Hewitt, general secretary of the National Council for Civil Liberties, said: "On my reading of the law it is quite clearly an unfair dismissal as she was employed before the closed shop came into effect."

MP is determined to back telephone tap amendment

By Our Political Reporter

Mr William Whitelaw, Home Secretary, failed yesterday to dissuade Mr John Gort, Conservative MP for Barnet, Hendon North, from backing a Labour-sponsored clause which will impose legal constraints on telephone tapping.

The two met at Mr Whitelaw's residence, but Mr Gort, who is a member of the Commons committee considering the telecommunications Bill, told him that he intended to table an amendment at the Bill's report stage.

The new clause would require the Home Secretary to issue a warrant before telephone messages could be intercepted and would ban tapping for political reasons.

Mr Gort wants to extend the scope of the clause in one particular but reduce it in another. The clause includes terrorist or espionage activity but Mr Gort wants the word "subversive" included as was proposed in the White Paper on interference in communications published last year.

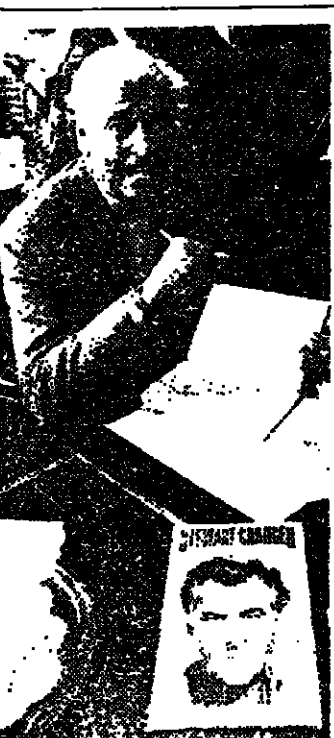
Joint principles, including new proposals for a devolved Ulster government, have been agreed between the Unionist Party of Northern Ireland, founded by Lord Faulkner of Downpatrick, who died in 1977, and the Ulster Popular Unionist Party, set up by Mr James Kilfedder, MP for Down, North.

A pact is also likely in the council elections in May. Mrs Anne Dickson, leader of the UPNI, said it was hoped to fight in every district and that the new grouping would probably be the third in size after the Official Unionists and the Democratic Unionists.

The agreed principles include a Bill of rights and a devolved government with scope for all parties.

Not held in law to be indecent. This will make a far more effective and enforceable piece of legislation than the present Bill. Mr Patrick Mayhew, Minister of State at the Home Office, said he could understand the desire to try to define more precisely the objectionable nature of the material whose display the Bill was concerned.

But he remained convinced that it was preferable to keep the term which Parliament had used in statutes for about a hundred years. "Indecent" should be left as the decisive concept.



Actor's story: Stewart Tendler signing copies of his autobiography, "Sparks Fly Upwards", in London yesterday.

Smaller Unionist parties form electoral pact

From David Nicholson-Lord, Belfast

The fragmentation of Unionist politics in Northern Ireland, certain to be an important factor in forthcoming local elections, was regarded somewhat yesterday with the announcement of a unity pact between two of the smaller Unionist parties.

Joint principles, including new proposals for a devolved Ulster government, have been agreed between the Unionist Party of Northern Ireland, founded by Lord Faulkner of Downpatrick, who died in 1977, and the Ulster Popular Unionist Party, set up by Mr James Kilfedder, MP for Down, North.

A pact is also likely in the council elections in May. Mrs Anne Dickson, leader of the UPNI, said it was hoped to fight in every district and that the new grouping would probably be the third in size after the Official Unionists and the Democratic Unionists.

The agreed principles include a Bill of rights and a devolved government with scope for all parties.

Award scheme celebrates a silver success

The Duke of Edinburgh said last night that his award scheme had provided hundreds of thousands of young people with a kind of education they did not get in school.

Speaking at a dinner at Mansion House to mark the award's twenty-fifth anniversary, he said: "You do not learn about such things as human relations, civility, behaviour, concern for others, self-discipline, fitness or even practical morality sitting at a desk, yet these are all part of education."

Every bank can make sure your exports are paid for...



...eventually.

A commercial transaction is rarely straightforward when buyer and seller are on opposite sides of the globe. Documentary credits and bill collections should make things easier for Importers and exporters rather than complicate this complex and vital area of international trade.

Standard Chartered Bank's presence in more than 1500 offices in over sixty countries allows us to advise our customers on trading practices, pin-point problem areas, suggest the best method of payment, provide status information on prospective partners—in short, offer the kind of service that has twice earned us

The Queen's Award for Export Achievement. As Britain's largest independent overseas bank Standard Chartered's wide geographical coverage gives flexibility in the provision of finance and direct branch-to-branch links to speed both the completion of transactions and the remittance of proceeds. Our range of services both overseas and at over twenty British branches is exactly what you expect from any dynamic, progressive bank; the global experience which lies behind it is what makes us distinctively what we are.

Standard Chartered
The British bank that goes further faster.

Standard Chartered Bank Limited, Head Office, 10 Clements Lane, London EC4M 7AR. Telephone Business Development Department: 01-603 7500. Telex: 213 000 m/m/m. BRANCHES: 126 7432 BRISTOL 298071 CARDIFF 389232 DUNDEE 23333 Gلاسگوว์ 234 0205 KINGSTON-UPON-HULL 227211 LEEDS 246711 LIVERPOOL 256 6313 MANCHESTER 634 3444 MIDDLESBROUGH 219 241 MURDOCH 642506 SHEFFIELD 735 741 SOUTHAMPTON 3312 STOKES-ON-TRENT 273318

How two famous cars can drive away cash flow problems.



High interest rates and capital shortages have never handicapped business more severely than they do today.

Leasing your company cars through the Ford Leasing System can untie large amounts of capital for you, greatly ease cash flow and reduce transport costs. And there can be useful tax benefits.

Equally important, Ford can offer you two of the most efficient cars on the road today—the Ford Cortina (Britain's best-selling car for the last 4 consecutive years) and the new Ford Escort (Car of the Year 1981*). Their reliability and ease of servicing reduce maintenance costs. What's more, all Ford cars have a remarkably low rate of depreciation. And you are backed by nationwide service.

Post the coupon and we'll be happy to prove how Ford Leasing can give your business a boost, especially in these tough times.



To: Ford Leasing System 1/321,
Ford Motor Co Ltd, Eagle Way, Brentwood, Essex CM13 3BW.
Please arrange for a Ford Leasing Dealer to contact me.

Name _____
Position _____
Company _____
Address _____

Tel. No. _____

Registered in England 335446.

Leasing

T1

*Car of the Year competition organized by Autovision (Holland). Telegraph Sunday Magazine (Britain), L'Espresso (France), Quattroruote (Italy), Stern (West Germany), Vi Bilagare (Sweden).

HOME NEWS

London hospitals to lose more than 4,000 acute beds in return for better geriatric and mental service

By Nicholas Timmins

London is to lose more than 4,000, or almost one in seven, of its acute medical and surgical beds over the next seven years, in return for more geriatric, mental illness and mental handicap beds, and improved community services.

A report from the London Advisory Group, endorsed by ministers yesterday, says acute services should be concentrated in 23 of the larger hospitals, including the dozen main teaching hospitals.

But about thirty smaller, local hospitals, which have not been named, will lose some or all of their acute beds, and change to providing geriatric, mental illness or community services. Some will be closed. The changes, the most radical London's hospital system will have undergone since the National Health Service was founded, were described as "a great day for London's health care" by Dr Gerard Vaughan, Minister for Health.

Health authorities should make urgent plans taking the report into account, he said. They should consult in the usual way, but he would watch progress to see that things really move.

The policy was greeted with some caution by the British Medical Association, which said that unless family doctor and other primary services were improved quickly, patients would face greater difficulties.

"If the reduction in acute beds proceeds before measures are taken to enhance family doctor and other primary health care services, an even greater strain will be thrown upon GPs who are already struggling to cope."

Dr Vaughan said the policy would end years of uncertainty, in which a number of teaching hospitals have been threatened and would mean resources could be transferred from acute services to those neglected areas in which London was ill provided. The capital, for example, has 15 per cent too few geriatric beds.

The report argues that inner London's falling population, expected to be down to 2.5 million by 1990, has had to place too much reliance on acute beds because of poor geriatric, long-stay, family doctor and community services. Those were expensive and not necessarily in patients' interests.

It accepts that the number of acute beds should be cut from 26,650 in 1979 to 22,500 by 1988; the reduction of 4,120 being split roughly between inner and outer London.

In return, it is essential that geriatric, community and primary care services are improved, to unblock acute beds being filled by elderly patients requiring longer-term care, and to cope with the earlier discharges of patients now taking place.

Commenting on family doctor services, the report says improvements may depend more on central government than local action.

The report argues that the main acute services should be concentrated where the greatest investment has been in the teaching hospitals in the centre of London, and at those like St Stephen's Hospital, Fulham Road, and the Whitting Hospital, Highgate.

The alternative strategy of cuts across the board would hamper big hospitals and make smaller ones not viable, while shutting an important hospital could not easily be justified where less suitable hospital would need considerable investment.

Accessibility is not on the whole a serious difficulty, the report says. The retention of the central London teaching hospitals would ease the medical schools' job of finding enough patients.

26,650 in 1979 to 22,500 by 1988; the reduction of 4,120 being split roughly between inner and outer London.

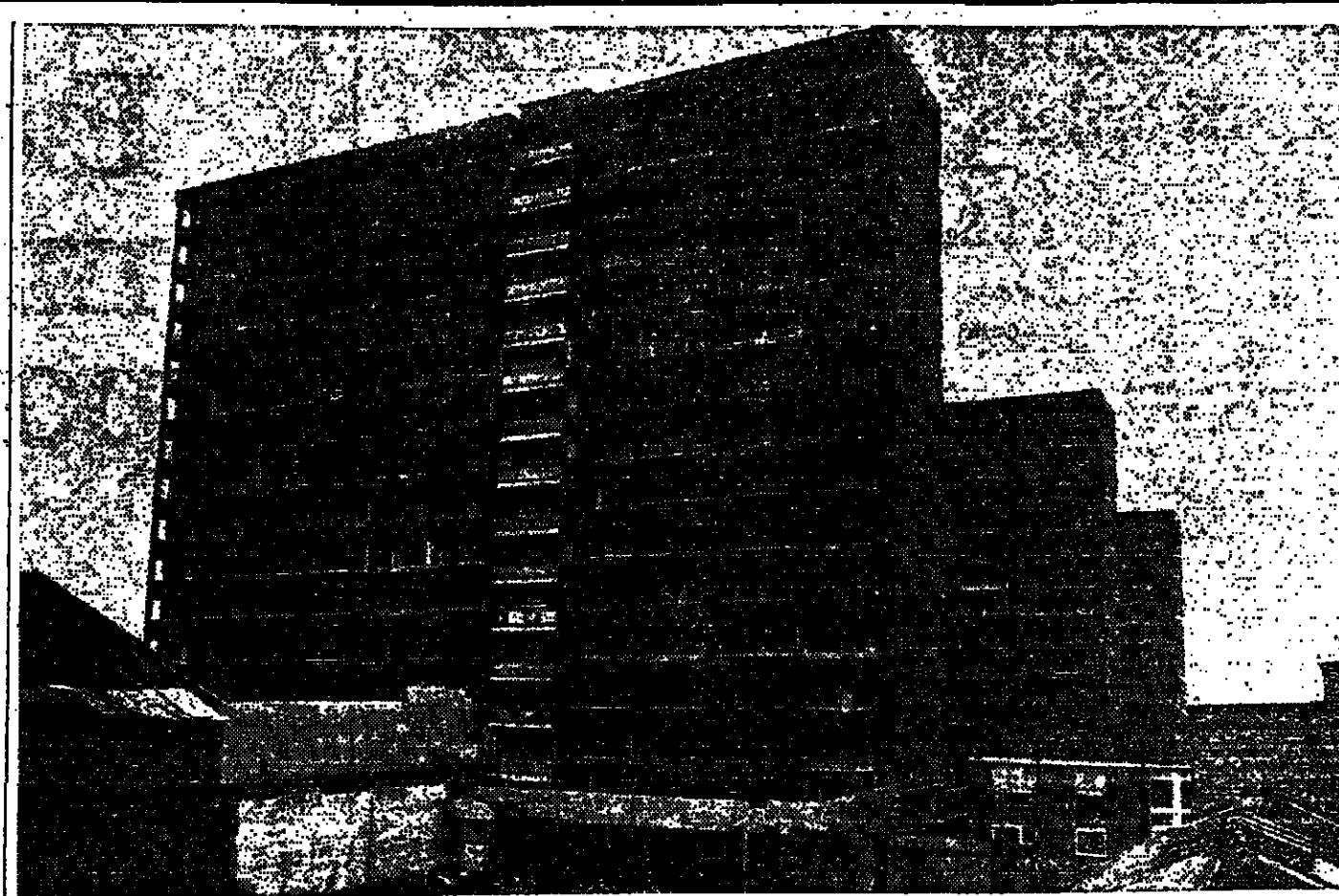
In return, it is essential that geriatric, community and primary care services are improved, to unblock acute beds being filled by elderly patients requiring longer-term care, and to cope with the earlier discharges of patients now taking place.

Commenting on family doctor services, the report says improvements may depend more on central government than local action.

The report argues that the main acute services should be concentrated where the greatest investment has been in the teaching hospitals in the centre of London, and at those like St Stephen's Hospital, Fulham Road, and the Whitting Hospital, Highgate.

The alternative strategy of cuts across the board would hamper big hospitals and make smaller ones not viable, while shutting an important hospital could not easily be justified where less suitable hospital would need considerable investment.

Accessibility is not on the whole a serious difficulty, the report says. The retention of the central London teaching hospitals would ease the medical schools' job of finding enough patients.



"Piggeries" sold: Contracts were exchanged yesterday between Liverpool City Council and a private property company for the sale of the three large blocks of flats (photographed above), which are locally nicknamed "The Piggeries" (John Young writes from Liverpool). The council decided several months ago to sell the three blocks after they had been persistently damaged by vandals to the point where

potential tenants refused to move there. After considering various tenders it accepted an offer from Marquee Securities, of London. Although the purchase price was nominal, persistent doubts have been expressed about whether the deal would go through. Even after yesterday's news, there was scepticism about the company's prospects of selling the renovated flats on the open market at an estimated

£10,000 each. One suggestion was that they might be purchased by the local health authority or the university for accommodation for nurses or students. Mr Richard Kemp, chairman of the council's housing committee, said yesterday that legal complications had delayed the exchange of contracts. He thought the flats would appeal to single people and childless couples and admitted that they should never have been offered to families.

Government licenses dog disease vaccine

By Hugh Clayton

The first government licence was issued yesterday for production of a vaccine against disease which has killed hundreds of dogs in Britain.

The licence was given to Daphar Veterinary Ltd of Southampton by the Minister of Agriculture, Fisheries and Food to manufacture a vaccine against canine parvovirus.

Mr Keith Davies, a Yorkshire veterinary surgeon, said at a press conference held in London by Daphar yesterday: "We are still seeing cases in our area every week. We are having about one death a week even now."

"We originally thought the term 'killer virus' was very exaggerated statement, but we soon found that it was not very far from the truth."

The new vaccine will supersede an old vaccine, which was found last year to give only some protection against the disease, but was never licensed by the Government for use on dogs.

Professor Robert Johnson who worked on the dog vaccine at James Cook University, Queensland, Australia, said yesterday that different animals were affected by different varieties of parvovirus.

The parvovirus which affects dogs was a mutation which affected animals in the family including cats and leopards. "This feline virus is very dangerous," he said.

Mr Davies said that the disease affected dogs very suddenly. A puppy that was right one minute would suddenly become breathless and drop dead. When one puppy a litter had been affected it others were almost certain eventually to die from the disease, even though they appeared perfectly healthy.

Mrs Barbara Woodhouse, author and television broadcaster about dog-training, said the arrival of the new vaccine was "absolutely terrific". She added: "I heard this morning of an entire kennel being wiped out by parvovirus; it is inoculated with feline vaccine."

Digging up the roots
The Irish Genealogical Association has been established in Belfast to help Irish expatriates to trace their family history.

Mr Stonehouse's mother dies aged 87

Mrs Rosina Stonehouse, aged 87, the mother of Mr John Stonehouse, the former Labour Cabinet minister, died in hospital during the night, it was announced yesterday.

She had been ill for some time and was admitted to Southampton general hospital early last month after a stroke. She died a short while after news of her son's marriage to Mrs Sheila Buckley, his former secretary, became public.

Mr Stonehouse said yesterday that his mother gave her blessing to the marriage, which was in Hampshire on January 31. Mrs Stonehouse, a former mayor of Southampton, was a veteran Labour Party worker.

Fishermen fined for obstruction

By Richard Ford

Eleven fishermen who were arrested while picketing at Grimsby as part of a protest over cheap foreign imports were fined £20 and bound over in the sum of £200 by Grimsby magistrates yesterday.

Nine of the men charged with obstruction were said to have been trying to stop three lorries loaded with Dutch plaice from entering the docks. Erik Nielsen, of Cleethorpes, said that their action showed the dire financial straits to which they had been reduced.

Mr John Cutting, presiding, said before fining them: "We must not concern ourselves with the fishing issues. Your conduct was unlawful." Two men who denied the charge had the

case against them adjourned for a month. Picketing at Grimsby and Fleetwood ended last night and it is expected that inshore vessels will sail today. As the controversy over cheap imports continued, 12 fishermen were handed in two crates of cod bought on the quayside at Grimsby, to 10 Downing Street.

On the crates were the words: "Fishermen get 50p for this, it sells in the shops for £1.20p". The 12 women, led by Mrs Lesley Todd, whose husband is chairman of Humberside Fishing Association, handed in a petition calling for aid to the industry and aid to end cheap imports. They were supported by Mr Austin Mitchell, Labour MP for Grimsby.

Elsewhere in Britain, inshore fishermen from Great Yarmouth and Lowestoft held up 70 tonnes of imported Dutch fish for several hours at Great Yarmouth. In the South-west, fishermen will meet in Plymouth today to set up a coordinating committee and start a fighting fund to finance protests.

At Fleetwood, Lancashire, 70 inshore vessels returned to sea yesterday at the end of a three-day tie-up with a warning from the merchants that they will boycott inshore fish if there is further disruption. The warning followed an incident in which £500 damage was done to lorries belonging to one of the port's main merchants. The inshore men have denied responsibility.

Brussels talks, page 6

In brief

£64,000 award for nurses

Seven female nurses at the Peterborough district hospital have been awarded a total of £64,000 in compensation for back injuries sustained on duty, mainly because of lifting patients. The payments are the result of out-of-court settlements after a four-year legal battle by the National Union of Public Employees.

Blast wrecks home

Mr Alan Morson and his wife June were rescued with minor injuries by neighbours from the rubble when their home in Lutteridge Road, Slough, was destroyed by an explosion yesterday. Their two children also escaped. The gas board is investigating.

Hindley honours try

Myra Hindley, who last year took a BA degree in the Open University while serving her life sentence for the Moors murders, has been given permission to go on for an honours degree.

Beaten by moles

Mole hills on two council-owned football pitches in Peterborough have forced two clubs to use other grounds. The council is providing other pitches free of charge until it finds ways of eliminating the mole hills.

JP found dead

Mr William Beattall, aged 57, an Essex magistrate since 1961, was found dead with gunshot wounds yesterday at his farm at Wakering, near Southend. A shotgun was near by.

Prince trains for race

The Prince of Wales went for a training gallop at Lambourn early yesterday in preparation for his race at Newbury on Saturday, when he will ride his hunter Alibi.

Furnace blast hurts 3

Three men were hurt yesterday when molten metal exploded in a furnace at the British Steel Corporation's River Don steel works in Sheffield, South Yorkshire.

British Steel fined

The British Steel Corporation was fined £100 with £40 costs by magistrates at Chichester, Sussex, yesterday after it admitted a short weight delivery of stainless steel.

PC's rescue fails

Police Constable Alexander Hart, aged 22, was overcome by fumes yesterday while trying to rescue Mr Frederick Leighton, aged 90, who died in a fire at his home in Upper Elmers End Road, Beckenham, south London.

Move to reduce size of marginal constituency

By Michael Horsnell

The marginal parliamentary constituency of Oxford, regained for the Conservatives at the last general election by Mr John Patten with a majority of 1,497 votes, might be cut in size under a provisional recommendation issued by the Boundary Commission for England today.

The city's electors, who had given Mr Evan Luard, the former Labour MP a majority of 1,036 in October, 1974, will be cut from £81,709 to 60,201. Six wards of the city would form part of a realigned Abingdon constituency, whose electorate would also be reduced.

from 96,447 at the last general election to 63,076.

Under the proposed changes Oxfordshire would have six parliamentary seats, compared with the present three, plus parts of four others. The constituencies of Banbury and Henley will remain, with adjustments to reduce their electorates, and two new ones emerge, Wantage and Witney.

Under other proposals, Buckinghamshire would have six seats, compared with the present four and part of one other. A new seat of Milton Keynes, comprising all but three of the wards of the new town, would emerge.

'Nightmare' search for good pub food

By Robin Young

The overwhelming majority of public houses have no idea of what good food is, according to Egon Ronay in his *Raleigh Pub Guide 1981*, published today.

Mr Ronay says that he sent 14 men and women "of undoubted palate and stamina" to inspect five thousand public houses out of many more which had been recommended. "The failure rate was enormous," he says. Only 935 were accepted for inclusion in the guide. A third of those in last year's edition were eliminated.

"Our search was something of a nightmare," Mr Ronay complains, citing "inedible travesties of sandwiches, pastry-covered mush sold as pasties, shrivelled bread sausages, and the great British hide-all, curry."

The inspectors found that food in free houses was best, while public houses with managers as opposed to tenants, served the poorest food.

A poll among the publicans who were successful in getting their houses into the guide showed that only one in 25 attributed his success with customers to the beer he served. More thought it was because of their own personalities while one in six credited bar food. More than half thought the attraction of their public house was in atmosphere.

The relative unimportance of beer was emphasized by Christopher Goss, landlord of the Greyhound Inn, St. Fitts, near Taunton Somerset, which was chosen as the 1981 Pub of the Year. "I have just changed six of the seven beers I keep," Goss said, "and I do not think any of the customers mind."

Egon Ronay's *Raleigh Pub Guide 1981* (Penguin, £2.25).

Transport budget cut of £5.2m for Merseyside

From Our Correspondent

Merseyside County Council's transport committee yesterday approved a strong Labour opposition, a package deal to cut its estimates for the coming year by £5.2m. It will consider saving a further £600,000 needed to bring total cuts to £5.8m sought in the Conservative-controlled county budget.

The Merseyside passenger transport executive had said in a report that the cuts were bound to lead to a deterioration in services on the buses, the Mersey rail network and the cross-river ferries.

Labour opposed each item of the package unsuccessfully in a debate which lasted three hours.

There will be an application for a 35 per cent rise in fares in July, the third in 18 months, and a reduction in buses and trains operating in the late evening and on Sundays.

The Mersey ferries will continue to operate in the peak commuter periods.

Jail for fitter who had an arsenal at home

From Our Correspondent

As a child, Christopher May had a passion for collecting fireworks, it was stated at Winchester Crown Court yesterday. When the police went to his home, Mr May, a target fitter at the Royal Aircraft Establishment at Farnborough, Hampshire, was found to have amassed an arsenal of missiles, missiles, explosives, and it was added.

Mr May, aged 26, of Sonning Lane, Sonning, near Reading, Berkshire, was sentenced to nine months' imprisonment after admitting five charges of possessing firearms, two of which were live.

He had told the police he been collecting the items for in his home for years, and so of them had been taken from his employers.

He was said in court to have been found with an air-missile, a shell, a mortar and a hand grenade.

Mr Justice Michael Davies said he accepted that most of the items in the collection were not dangerous.

Average county council rate rises below 10pc

By Our Local Government Correspondent

Rate increases in the non-metropolitan counties in England and Wales for 1981-82 should average less than 10 per cent, the Association of County Councils was told in London yesterday by Mr Ian Coutts, chairman of the association's finance committee.

The counties have gained from the Government's decision to switch resources to their areas away from London and the other main conurbations. That increased their share of government grant by 1.8 per cent.

Rate precept increase among the counties vary widely and include a nil increase in Wiltshire, 3 per cent in Cheshire, 6.4 per cent in Somerset, 13 per cent in Derbyshire and 18 per cent in Gloucestershire.

Group opposed to nuclear dump claims a victory

From Our Correspondent

A group opposing the silt dumping of nuclear waste in mid-Wales said yesterday it had gained "a temporary victory" over the Government.

The Institute of Geologists, a government agency, has not made expected applications to carry test drillings on the Pw Gwynedd border.

The opposition group, Pe Against Nuclear Dumping Rural Areas, named sites in Snowdonia national park as being intended for test holes by the institute.

Mr Don Arnott, the group's scientific adviser, said yesterday that local opposition had forced the institute from submitting planning applications.

Conference role for Duke

By Our Social Services Correspondent

The Duke of Edinburgh is to address what was described yesterday as the first international conference on human values, to be held in London at the end of March.

The organizers hope the conference will lead to a permanent exhibition centre to promote the idea of service to people, particularly among the young.

Dr Richard Lammerton, a consultant running a domiciliary health service in the East End

of London, asked the Duke to address the conference, which was held in London at the end of March.

He has agreed to be present at the conference, which will include speakers from the United States, Canada, Brazil, Argentina, Chile, and the United Kingdom.

Mr Arnott, the group's scientific adviser, said yesterday that local opposition had forced the institute from submitting planning applications.

BOTTOMS UP
BETTER WINES AT LOWER PRICES
FEB SPECIALS

VERVE DU VERNY £2
CHAMPAGNE
MARIE CELESTE

VARELA CHERIES £1.49
GANCIA VERMOUTH
ROSSO & BIANCO £1.65
DRY £1.59

ANJOU ROSE £1.49
VIN DE PAYS
GASCogne £1.49

BORGOGNE ROUGE £1.59
DE NORTHEAU 1977

MEDOC ESCHEAUER £1.89
SCHENKER £1.99

ALL PRICES INCLUDE 15% VAT
SPECIAL 1/2 BOTTLE GARGANS SAT

BRANCHES:
154 NOTTING HILL GATE W11
282 OLD BROMPTON ROAD SW5
HERON SERVICE STN.
146 BATH ROAD, READING

NEW STORE NOW OPEN
45 BRIGHTON ROAD,
SOUTH CROYDON

BOTTOMS UP

Court orders bank to hand over £1,980 from robbery

From Our Correspondent

Douglas, Isle of Man
An Isle of Man court has ordered a bank to hand over nearly £2,000 held in a deposit account, after being told it was part of the proceeds of a £26,000 armed robbery in Northern Ireland in December 1979.

Mr Michael Moyle, the Manx Government Advocate, told the Chancery Court at Douglas yesterday that the money was stolen in a robbery at the Kilroot power station, Eden, Carrickfergus, on December 20, 1979. He added that £1,980 had been traced to an account in the Northern Ireland Industrial Bank (Isle of Man) Ltd, at St George's Street, Douglas. The money was deposited to an account in the name of the Trustees for Lorne Young Protestant Volunteers' Flute Band.

Mr Moyle, who appeared for

Scots supporter fined under new drink law

From Our Correspondent

Edinburgh
The first Scottish football supporter to be charged with the new drink laws was fined £35 at Edinburgh Sheriff Court yesterday.

Norman Tosh, aged 19, a Dundee supporter, admitted being drunk at Easter Road, where Hibernian were playing Dundee in a First Division game.

Mr Tosh, of Carmichael Street, Dundee, contravened the Criminal Justice (Scotland) Act, 1980, it was stated. He had four pints of lager before the game.

Mr Robert Burnett, for the defence, said that although the case was the first of its kind it had already displayed to him certain difficulties that the courts would have to face in interpreting some parts of the Act.

Murder inquiry begins into soccer fan's death

By Our Crime Reporter

Scotland Yard yesterday opened a murder inquiry into the death of a Yorkshire football fan found injured near Tottenham Hotspur's ground, north London, last week. Mr Jeremy Burton, aged 19, of Brentcliffe, White, Bradford, died on Tuesday night in hospital.

He travelled to London by coach last Saturday to watch Leeds United play Tottenham Hotspur but an hour before the kick-off was found by police near the ground with head injuries.

Yesterday a murder squad under Det Chief Supt Robert Sharp began operating from Winchester Hill police station. West Yorkshire police have also set up a small squad in Leeds

Women cleared over mouse in tank with python

From Our Correspondent

Bradford
A claim that a live, tame mouse was in a state of terror after it was dropped into a python's glass tank as food, was made to Bradford magistrates yesterday.

Experts disagreed and the magistrates, who were told of cases where mice had bitten snakes, dismissed an allegation against a pet shop owner of cruelly torturing the mouse. They awarded £300 costs against the RSPCA who had brought the case.

Lesley Holmes, aged 20, of Northwhins Farm, Queensbury, Bradford, who put the mouse into the tank, was summoned for cruelly torturing the mouse. Her mother, Gwendoline, aged

43, of the same address, was summoned for permitting her to do so. Both denied the offences and were awarded costs.

An off-duty policeman who was said to have gone into the pet shop in Great Horton Road, Bradford, saw the mouse in the tank with the python. RSPCA said that the mouse was covering in a corner and trembling in fear. It had been maintained unnecessarily in a state of terror.

For the women it was stated that the mouse was in the tank less than five minutes before it was removed as the snake was not interested in it. If it had been frightened it would have made attempts to escape and jump out. Mice trembled when they were moved from cage to cage.

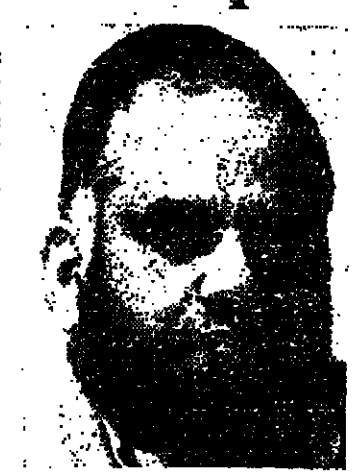
Bias claim on mosque visit pay cut

By Lucy Hodges

A devout Muslim teacher has complained to the European Commission of Human Rights in Strasbourg alleging that the British Government has contravened the European Convention on Human Rights by denying him time off with pay to attend the mosque on Fridays.

Mr Ifkhar Ahmed, of Margery Park Road, Forest Gate, east London, who works for the Inner London Education Authority, has been forced to work part time because of his insistence on going to the mosque every Friday. The authority reduces his pay by £696 a year, and has given him a special contract so that he works at one two-and-a-half days a week and at the other two days a week.

Mr Ahmed says that that is discriminatory. "Because of my religion I lose money. I will never get promotion and I do not even have a class of my own to teach."



Mr. Ahmed: Special ILEA contract.

He is challenging a Court of Appeal decision against him in 1977. He had previously taken his case to an industrial tribunal and the Employment Appeal Tribunal.

He rested his case largely on section 30 of the Education Act, 1944, which says that no teacher shall lose money or promotion because of his religious opinions or because he attends religious worship.

The Court of Appeal, with Lord Scarman dissenting, said that section 30 only applied where the school timetable permitted.

In 1974 Mr Ahmed was teaching at a special school and went to the mosque every Friday at lunchtime. As a result his class was left untaught for 40 to 45 minutes in the afternoon. The other members of staff thought that was unfair and eventually the ILEA wrote to tell him he would have to move to a part-time contract.

Mr Ahmed rejected that and resigned. Two years later he accepted the part-time contract because he said he needed the money and felt it better to fight for change within the system.

A Valentine from Asprey

Asprey and Company Limited
109-111, New Bond Street, London W1T 4AR
Telephone 01-493 0501

133 Fincham Road, London E10 6DB
Telephone 01-420 7101

مكتبة الأصيل

IF YOU WERE ADVERTISING HERE TODAY, WHERE WOULD YOU APPEAR TOMORROW?



When it comes to topical advertising you can't beat the daily paper.

Next week's sale. A new product launch. No other medium can compete.

But will this week's ad. still be around when people need your services in a few months time?

Probably not.

Which is why we'd like to introduce you to the Thomson Local directory.

It's being sent free, each year, to virtually every household and business in your local area.

Which means you can keep your name right in front of your market right throughout the year. And be quickly reached when people want to reach you.

So you get the coverage that matters. The people that you most want. At a price that doesn't include those far away people who wouldn't dream of phoning you anyway.

For further details contact Nigel Donaldson on 0252 516111.

THOMSON LOCAL DIRECTORY
Its business is to make yours bigger.

Paris give Mr Sadat a warm welcome

In the area off the north of Scotland vessels above 80 feet in length would be banned from specified "boxes" within 12 miles of the Orkneys and Shetlands. In an as yet unspecified zone beyond 12 miles the number of boats allowed in

Thorn attack: Mr. Gaston Thorn, President of the Commission, told the European Assembly that member governments were hindering the development of the Community (Reuter writes from Luxembourg):

The talks at the Elysée Palace, after a private luncheon, lasted two hours. They were described as both "very cordial and very frank".



keeping force to economic and political Arab-Israeli relations.

Speaking to journalists, President Sadat recognized that his

The most important thing, he said, was to give the Arab states guarantees not only by the Uni-

the Palestinians would have a right of veto to decide their own fate.

Much of the crisis revolves around left-wing dissent over some of the Chancellor's policies.

Basque newspapers today published the ETA Poli-Militar statement. The killing of the engineer the statement said, was a "concrete example of the incapacity to advance in the

The funeral should be a private affair with only family and close friends; the royal family should spend only a few hours in Greece tomorrow, for the funeral.

"spontaneous" demonstration "to expel drugs" staged on Sunday morning outside the home of a Moroccan worker, Mr. Muhammad 'Karbouch, married with eight children. He

working man, who does not go to the café, his wife told reporters. He has been in France eight years, and is highly regarded by his employers. No offence or misdemeanour has

All of a sudden, it has turned xenophobic. For the presidential campaign, it is capable of every change of front."


Leading article, page 15

OVERSEAS PROPERTY


**FOR SALE
ANOTHER WORLD
NOT WORLDS AWAY**

the luxury of a lakeside apartment in Montreux or the quiet splendour of an alpine home in Villars-sur-Ollon.

MONTREUX

 set in a bay on the northern shore of Lake Geneva, known for its host of fashionable attractions — even an excellent 18 hole golf course and many other sports facilities to enjoy.

These apartments are mixed out to high standards of quality and detail. Complete with their own large private garden terraces and beautiful southerly views across the lake to the Swiss and French Alps. They offer an attractive blend of fashion and tasteful living.

VILLARS
 a picturesque alpine resort just an hour's motorway drive from Geneva. Live at peace with the world in the invigorating atmosphere of this

Our apartments — between 5 and 8 in each traditional chalet style building — are designed and built by our craftsmen to luxury specifications, much of the decor being customers' own choice. The lightly wooded parkland setting of these homes is further enhanced by careful landscaping.

Both sets of properties are highly valuable for your own use and for letting through the owner-builders' separate management company who provide a fully operated service. **Mortgage facilities** — 75% over 25 years: Interest rates from 4.75% p.a.
Owner Builders: Sodim SA, P.O. BOX 62, 1884 Villars-sur-Ollon, Switzerland.

For full information about these superb properties and to arrange for a private appointment, contact Mr. Christian Marich, our Sales Manager, at the Dorchester Hotel in London, Telephone 01-629 8888 between 10th-13th February.

Holiday Apartments to let.
Secluded settings — fine views. Studios — 2 rooms
— 3 rooms. Individual Chalets.
All reservations to:
Guerance — Service SA, Case Postale 90
1884, Villars-sur-Ollon Switzerland.
Telephone: 010 41 — 25. 35 17 35
Telex: 23259 GESER CH.

in the perfect surroundings.
In The Times.
The "Property Columns" are published daily with a special support feature every Wednesday.
To place your advertisement or for further information contact The Times Property Team on 01-837 3311.

Holiday Apartments to let.
Secluded settings — fine views. Studios — 2 rooms
— 3 rooms. Individual Chalets.
All reservations to:
Guerance — Service SA, Case Postale 90
1884, Villars-sur-Ollon Switzerland.
Telephone: 010 41 — 25. 35 17 35
Telex: 23259 GESER CH.

OVERSEAS

Iran President attacks communist drive to 'establish tyranny'

From Tony Alloway

Tehran, Feb 11

President Abolhasan Bani-Sadr of Iran today accused pro-Soviet communists of conspiring with the country's ruling Muslim fundamentalists to "establish tyranny" in the country.

In a ceremony marking the second anniversary of the revolution in Iran he told a crowd of hundreds of thousands: "In our Islamic Republic the people's prestige must be placed within such a socialist manner and our nation must resist such action."

At the ceremony in which the student militants who took the American hostages were to have handed over the captured United States Embassy for use by the wounded of the war and revolution, was called off at the last minute after Ayatollah Khomeini said it was "inadvisable".

The large crowds that gathered at Freedom Square in the west of the city to hear the President speak listened in a festive and relaxed atmosphere while the unexpected message of Ayatollah Khomeini was read by his son, Hajatollah Ahmad Khomeini.

"This is a serious warning to those clericalists serving in courts and other organizations that they should under no circumstances interfere in areas outside their competence," the Ayatollah's message said. Besides the courts he singled out revolutionary committees largely responsible for internal security, and a body established in help to give the poor basic living facilities.

He said: "Interference in executive affairs of the country, giving people positions, taking their positions away and so on... will result in disorder in the affairs of the country and must be avoided."

The Ayatollah said there were many instances of such interference and warned the clergy that they were being misled into such actions by "devils" to lower their esteem and damage Islam.

The Ayatollah's statements appeared to lend support to the President. The bodies the Ayatollah specifically complained of are controlled by

the President's fundamentalist opponents.

Describing the revolution as "this great miracle of the century" and pleading once more for national unity, he said that the United States was now "trying to intensify domestic disputes". But he was even more explicit in attacking the dangers of international communism.

The Ayatollah said: "The danger of communism is not less than that of Western capitalism. The people must be alert for their plots."

Political observers said the Ayatollah's message may well have resulted from his talks with the President two days ago, in which the serious problems facing the country were discussed. If so it would support the belief of some observers that the Ayatollah is once again shifting the power balance in favour of the President, although still far from giving him his outright support.

Among the matters most probably discussed in Monday's meeting was that the President pressed by the President in his speech today, the growing concern over the infiltration of the pro-Moscow communist Tudeh Party into the ruling apparatus.

Today the President said: "The Soviet Union's agents... are now trying, by cooperation with the group which has control of the country, to establish tyranny."

We have known you, too leaders of the Tudeh Party, very well for about 30 years. We know you have freedom... We know you are great liars."

Exhorting the people to defend their full rights under the constitution, the President declared: "I am ready to die in order to keep the freedom and independence of the country."

The President said the country was in a "third stage" of the revolution when the group that had seized power—a reference to the clergy-backed Islamic Republican Party—established a dictatorship.

"Our people have no judicial rights," he said, "and a group of people with knives and clubs attacking gatherings, student dormitories, forcing schools to close illegally and assassinating our people all over the country."

The President, widely cheered throughout his speech, drew great applause at the end when he repeated three times: "Censorship must be eliminated. Laws must be executed."



Lindbergh claim: Mr Kenneth Kerwin, left, listens intently while his lawyer, Mr Robert Bryan, displays photographs at a press conference in Flemington, New Jersey, of the baby son of Charles Lindbergh, the aviation pioneer, who made the first solo flight across

the Atlantic. The child was kidnapped in 1932 and was thought to have been killed. Mr Kerwin, however, says he was the baby in the photographs. He has now begun a lawsuit to force the state of New Jersey to release records which he says will prove his claim to be Lindbergh's son.

Solidarity accused of 'power plot'

From Michael Binyon

Moscow, Feb 11

The Russians today poured scorn on American State Department comments that the Reagan Administration would not grant credits to Poland and was looking instead for economic reform in the country.

A Tass commentary, apparently written before the State Department reversed its position on granting aid to Poland—said the United States was trying to impose economic pressure on sovereign states for selfish policy aims.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

The reformers, however, said that the State Department spokesman had made a "kind of ultimatum" that unless the Poles carried out an economic reform, they could not expect any American credits.

A Soviet newspaper, in a long and spicy account of the chaos and intrigue its special reporter said he found in Poland, asserted that plotters, disguised as trade union leaders, were making a bid for political power.

The influential weekly paper *Literaturnaya Gazeta*, while describing their union as apolitical, had really launched a fierce political struggle "masked by the pseudoeconomic camouflage of strikes".

The paper said that the "unbridled extremism" of some of the leaders was inspired by the "semi-legal" organization KOR (the dissident Social Self-defence Committee). It described Mr Jacek Kuron, one of KOR's leaders, as a "mouthpiece of anti-socialist forces" who for 20 years had been operating on anti-socialist lines, not working but living comfortably in Warsaw on dollars and Deutschmarks secretly sent to him.

The paper said that KOR agents began to infiltrate the Gdansk docks in 1976, playing on the authorities' economic

mistakes and recruiting men from the countryside. KOR men were doing their best to take advantage of the people's "weak socialist conviction and understanding of the national interest".

The graphic account included a curious episode in a train where the correspondent said he met a drunken military attaché from a Nato country who remarked that he was a spy. The correspondent said that KOR kept in regular touch with supporters in Sweden.

KOR "set simpletons against the Polish Union Workers' Party", linked economic grievances against the authorities with anti-socialist slogans and thus entered the "political arena at the crest of organized actions of workers".

Literaturnaya Gazeta renewed Soviet accusations that Solidarity was receiving large sums of money from the United States and West Germany, and disparagingly added that the union's headquarters were equipped with Japanese printing presses, French duplicators, Norwegian typewriters and other Western equipment.

The paper said that KOR agents began to infiltrate the Gdansk docks in 1976, playing on the authorities' economic

way to dispel any such notion, and made a point of thanking the Soviet Union for its help, understanding, and particularly for its confidence in the ability of Poles to settle their difficulties alone.

He assured Moscow once again that Poland is, and would remain, socialist and of the party's determination to act firmly, and decisively against political adversaries who were trying to divert the country from its socialist course.

It is against such dramatic speaking that the Polish Roman Catholic Church has once again come out to support the authorities with a call for wisdom and restraint.

The Polish Roman Catholic bishops, who met yesterday, called on the nation to refrain from all action that might precipitate new tension, to avoid reacting in haste.

The bishops also warned the authorities that "nothing can be achieved by diktat" that social contracts of last autumn must be implemented.

Pope John Paul II, who is in Poland, has urged calm and maturity and a sense of responsibility. The report "The Polish Crisis: Western Economic Policy Options" by Professor Richard Portes, referred to on page 5 of *The Times* on Tuesday, is published by The Royal Institute of International Affairs, price £3.50.

Diary, page 14

Toll rises as fighting continues in Zimbabwe

From Stephen Taylor

Salisbury, Feb 11

Fighting between soldiers in three Zimbabwe national army battalions has claimed at least 19 lives in the past five days and is still out of control in one area, Mr Robert Mugabe, the Prime Minister, told Parliament tonight.

Mr Mugabe said that the situation was serious, "not in the sense of a war going on but that there have been a series of incidents of death and wounding in at least three parts of the country".

The fighting broke out at Ntubazinduna barracks, near Bulawayo, on Saturday and spread on Monday night to Connemara barracks, near Gwelo.

Heavy fire restarted late tonight in the area of Glenville barracks, with reports of tracer fire illuminating the sky.

The Prime Minister told the House of Assembly that Ntubazinduna was quiet and that soldiers were being disarmed. Five men had died in the weekend fighting which started after a dispute at a beerhall.

But at Connemara barracks, on the main Bulawayo-Salisbury road, members of the joint high command, including the leaders of the former Zipra and Zanu guerrillas involved in the clashes, had been unable to quell the fighting, he added.

Members of the joint high command had entered the area but repeated efforts had not succeeded in convincing soldiers "still warring in the bush to return to their camp".

Patrols have been mounted to deal with the lawless elements," Mr Mugabe said. There were reports tonight that large military forces were building up at Que Que and Gwelo, two towns on either side of Connemara which has been cut off by roadblocks since yesterday.

Mr Mugabe said that five people were known to have died at Connemara but that figures were still unclear and the toll might rise.

The most recent fighting was at Glenville barracks in Bulawayo last night where Mr Mugabe said that 10 people had died. However, military sources said today that the bodies of 11 men, all thought to be soldiers, had been taken to the mortuary at Mpilo hospital in Bulawayo.

Although Mr Mugabe specifically avoided naming Zipra or Zanu elements as being responsible, it seems clear that soldiers formerly belonging to Zipra, the military wing of Mr Joshua Nkomo's party, broke into the armoury at Connemara and attacked former members of Zanu.

The next few days are likely to prove crucial to the nation. The factional violence has involved three of the nine battalions formed in the integration process last year, including one of the most senior.

Ottawa seeks source of diplomatic 'leak'

From John Best

Ottawa, Feb 11

Investigations are under way to find who leaked the text of a confidential cable from the Canadian High Commissioner in London to Ottawa on the subject of the controversial plan to patriate the Canadian constitution.

The path of Mr Pierre Trudeau's constitutional reform plan has been strewn with leaked documents almost from the beginning.

The latest episode occurred yesterday when CBC television made public a secret diplomatic cable sent by Mrs Jean Waddell, the Canadian High Commissioner in London, to the External Affairs Department here.

In it Mrs Waddell expressed fear that telephone conversations between the High Commissioner and Ottawa, dealing with Canadian Government strategy for patriating the British North America Act, were being bugged.

"We must take it for granted that those conversations are all monitored and taped by suitably-equipped countries including certainly Britain, France, the United States of America and the Soviet Union," the High Commissioner said.

"Why give Britain notice of our strategy concerns or judgments of some of its key players? Why give others an opportunity for mischief?"

Classified telex messages were "immeasurably safer," an External Affairs Department spokesman asked today whether an investigation is being conducted into the leakage.

replied: "I expect it is being done."

He could not say who was involved in the investigation, but indicated that it covers Government departments in which External Affairs cables are copied, as well as the External Affairs Department itself.

The most celebrated leakage occurred last September, in the midst of a crucial federal-provincial conference of first ministers. It was a 64-page document marked "ministers' eyes only" which gave details of the federal strategy for bringing home the constitution with or without provincial consent.

It made clear that the Federal Government was prepared to treat the constitutional crisis then under way "more like a street-fight than a diplomatic negotiation" and assessed the chances of a federal-provincial agreement as "not very high".

Meanwhile, it appears almost certain that there will be a provincial election in Quebec in April.

Mr René Lévesque, the Parti Québécois Premier, has called a special cabinet meeting for tomorrow and Friday at which the timing of the election will be discussed.

The Parti Québécois, which advocates Quebec's independence from Canada, swept into office in November, 1976. Time is thus running out on its five-year mandate; already Mr Lévesque has carried on much longer than the normal four years.

The election dates most frequently mentioned in speculation are April 6, 7, 13 and 27.

Britain recalls its High Commissioner in Canada

By Our Foreign Staff

Sir John Ford, the British High Commissioner in Canada, has been recalled to London for "consultations" over the Canadian constitutional dispute which yesterday saw the announcement of Sir John's retirement, and the leakage of Canadian diplomatic cables from London to Ottawa.

Sir John is back in London "to brief Lord Carrington and officials on the constitutional situation," the Foreign Office confirmed last night. Debate on the issue resumes next week in the Canadian Parliament.

There was an inquest at the Canadian High Commission in London yesterday over the leaked cables, in which Mrs Jean Waddell, the High Commissioner, said Britain was probably tapping Canadian communications on constitutional strategy. Although the cables were sent under Mrs Waddell's authority it was strongly implied that Mrs Waddell was not the author.

A source at the High Commission said they are "reasonably certain" that the cable was not leaked from London. It is thought in Ottawa that one or more civil servants have been responsible for the leaks.

The present strains arise from uncertainty over whether Westminster will endorse future legislation amending the Canadian constitution and establishing a Bill of Rights before relinquishing to Canada all legal control of these instruments.

The High Commission sources in London thought it unlikely that Mrs Waddell's effectiveness in dealing with the British Government would be impaired by the leaked cables.

The cables welcomed the requirement to the backbenches of Mr Norman St John Stevas, who had raised objections to the Trudeau package, and urged a propaganda "snow job" on Mr Jonathan Aitken, Tory MP for Thames, also an opponent.

Disruption predicted: If, within a month, Mr Pierre Trudeau, the Canadian Prime Minister, submits a request for the patriation of the British North America Act, the Government is still determined to do its utmost to have the British parliament accede to a request from the Canadian Federal Government (Our Political Editor writes).

However, challenge and disruption is predicted in both the Commons and the Lords.

Diary, page 14

Angry denial by son of Mr Reagan

President Reagan's eldest son

Michael, aged 35, who is under

investigation for allegedly diverting \$17,500 (£7,480) invested in a gasahol project to his own personal use, has angrily denied any wrongdoing, and claimed that the Los Angeles district attorney's office "is out to get me because of my famous last name".

Speaking at his home in the suburbs of Los Angeles, he said: "If my name wasn't Reagan none of this would have happened. I've done nothing wrong but it seems since Watergate somebody is always trying to find something. First, you had Billy Carter and now all of a sudden I'm in the papers."

The Los Angeles district attorney today denied his office had singled Mr Reagan out because he was the son of the President, and said the security of his activities was a valid investigation.

On Monday it was disclosed that the district attorney and the State Department of Corporations were investigating Mr Reagan and his lawyer for possible violations of corporate laws.

Investigators said the Reagan inquiry began as an investigation into his involvement with a Los Angeles business promoter, against whom several people had complained.

Washington ready to help Poles

From David Cross

Washington, Feb 11

After a day of confusion about its intentions, the economic aid for Poland, the Administration here has made it clear that it wants to help Warsaw to overcome its difficulties.

At the same time, it is loath to pour good money after bad if the authorities in Warsaw are not up to the task of introducing reforms to put the economy back on the tracks.

Most important of all, it wants to do all it can to prevent a Soviet invasion of Poland without being seen to interfere.

The confusion arose yesterday when a State Department spokesman said that the Administration was still looking at the Polish situation and "it is our feeling that what is needed most of all in Poland is internal economic reform."

An important point which remained untouched by all of yesterday's confusion was the determination of Mr Alexander Haig, the Secretary of State, to play down press speculation here that he now believed a Soviet invasion of Poland was a foregone conclusion.

The State Department spokesman, who said he was speaking on behalf of the Secretary of State, said that the Administration regarded Soviet military intervention as "neither imminent nor inevitable nor justifiable."

This week a letter protesting at the Israeli policy is to be circulated to all 120 members of the Knesset by Mr Eliot Khoury, a prominent east Jerusalem lawyer who is planning to launch appeals in the Supreme Court against seven different cases of land seizure. He is acting on behalf of more than 200 West Bank families.

"The Israeli moves amount to the biggest land seizure operation since the West Bank was occupied in 1967," Mr Khoury said today.

Mr Khoury, who successfully challenged the legality of the Eilat Moreh settlement in 1979, claimed that the Israelis were now taking over land which had often been cultivated by Arabs for many years but which in most cases had never been properly surveyed.

"Often deeds to these lands just do not exist and it is impossible to organize and finance a survey in the 21 days allowed," he said. "In many instances the Jews are being given control of land formerly

Warsaw thanks Moscow for its help in crisis

Continued from page 1

He said that General Jaruzelski had a taste of battle in the front line during the Second World War and that all his life he had shown himself to be a Polish patriot.

The psychological effect of the central committee's decision to bring General Jaruzelski more directly into politics is already noticeable. The general, who does not usually appear in Parliament in his uniform, did so today resplendent with all his decorations.

Mr Kania made it clear that whereas the outgoing Government of Mr Jozef Pankowski carried its burdens well, the new stage in which the country was heading towards "catastrophe" weakened by political strikes and "grave danger", needed another personality.

It needed a leader of government capable of being lenient when necessary, but acting firmly in the face of pressure and blackmail and especially in the face of "political challenge coming from the adversaries of socialism".

A recent upsurge of alarmist reports about the Polish situation which appeared daily in the Soviet and Soviet-bloc press, clearly suggested that Moscow was losing confidence in the ability of the Polish Government to halt the dangerous trend.

But Mr Kania went out of his way to dispel any such notion, and made a point of thanking the Soviet Union for its help, understanding, and particularly for its confidence in the ability of Poles to settle their difficulties alone.

He assured Moscow once again that Poland is, and would remain, socialist and of the party's determination to act firmly, and decisively against political adversaries who were trying to divert the country from its socialist course.

It is against such dramatic speaking that the Polish Roman Catholic Church has once again come out to support the authorities with a call for wisdom and restraint.

The Polish Roman Catholic bishops, who met yesterday, called on the nation to refrain from all action that might precipitate new tension, to avoid reacting in haste.

The bishops also warned the authorities that "nothing can be achieved by diktat" that social contracts of last autumn must be implemented.

Pope John Paul II, who is in Poland, has urged calm and maturity and a sense of responsibility. The report "The Polish Crisis: Western Economic Policy Options" by Professor Richard Portes, referred to on page 5 of *The Times* on Tuesday, is published by The Royal Institute of International Affairs, price £3.50.

Diary, page 14

US not to press neutron bomb on Nato allies

From Our Own Correspondent

Washington, Feb 11

Reaffirming his personal support for the neutron bomb, Mr Caspar Weinberger, the new Secretary of Defence, said today that the controversial weapon could do "quite a lot" to restore an East-West balance of force in Central Europe.

In an interview with *The Washington Post*, he insisted, however, that the weapon, which he called by its technical title "the enhanced radiation warhead", would not be forced on America's Nato allies. "It's not that we are going to say, 'All right, it's here. You've got to take it or leave it,'"

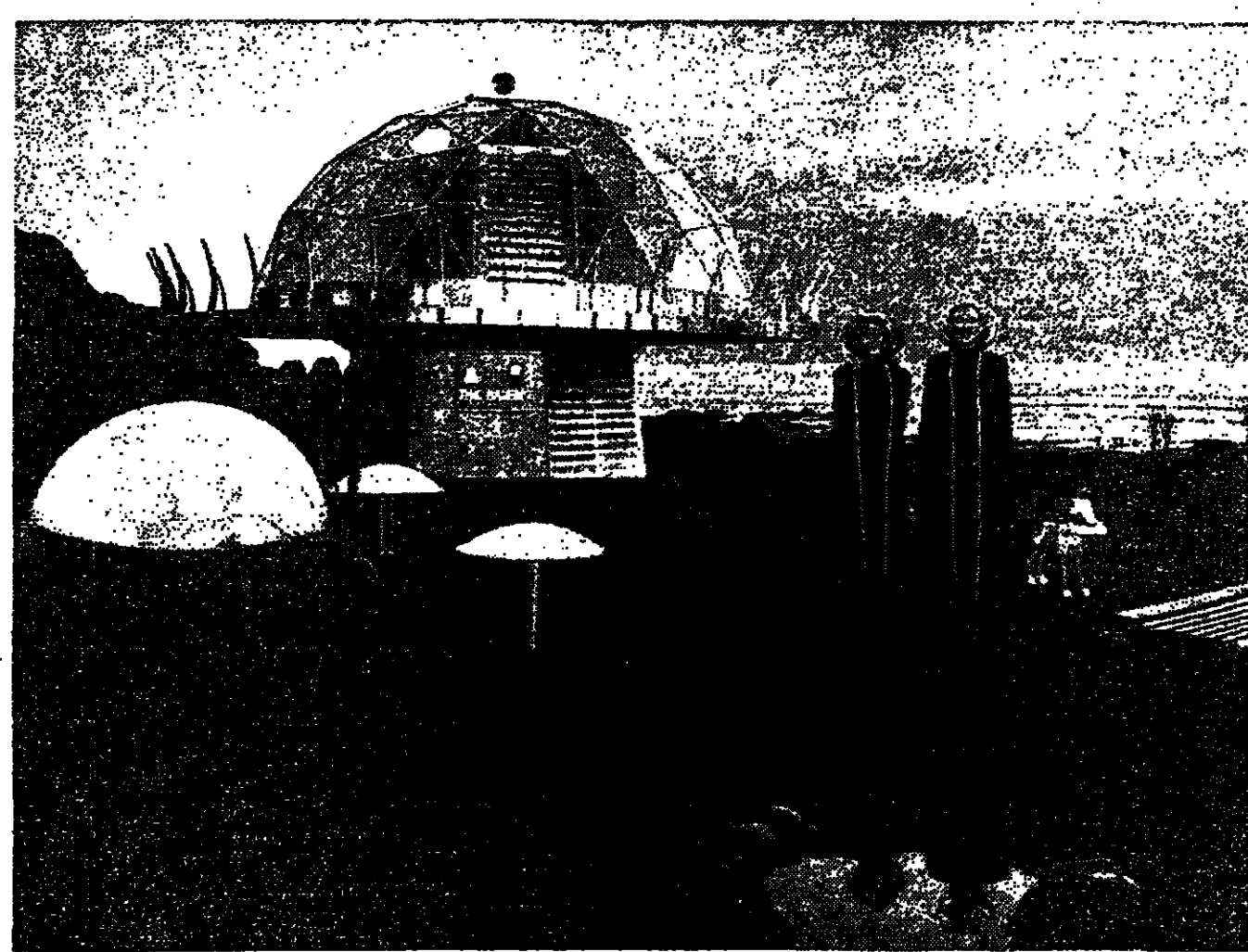
Mr Weinberger, who emphasized that he was speaking for himself, not for the whole of the new Reagan Administration, pointed out that the American Government had made a policy judgment some time ago that the neutron bomb was "a helpful addition to the strength of the theatre nuclear forces" in Europe.

If deterrence should fail and Soviet tanks moved into West Europe, the enhanced radiation produced by the neutron warheads would pierce the armour of the enemy tanks and kill their crews without contaminating the surrounding ground to the point where it could not be used by allied troops, he said. "I think it's a very good addition."

Mrs Thatcher to visit the Gulf

Mrs Margaret Thatcher is to visit Saudi Arabia, Oman and the United Emirates between April 19 and 24, the first such visit by a serving Prime Minister.

She will make the visits on the way home from her visit to India from April 15 and 19, it was announced from Number 10 Downing Street yesterday.



"We always wanted a little place by the coast when we retired."

To a lot of people, retirement is something they'd rather not think about. Which is a pity.

Because with science fiction increasingly becoming science fact, the future's likely to be a very exciting place to live.

We should be feeling happier and healthier. Retiring earlier and living longer. And with any luck, silicon chips with everything will take a lot of the grind out of daily living.

Take that little cottage by the sea. It could easily be a geodesic dome. With solar power, a central computer, and willing robots to take care of most of the chores.

But nothing's for nothing. Especially if you're self-employed or faced with the prospect of depending on a state pension.

To make sure your future's as good as you hope, you have to start planning for it now. And Equity & Law can help you.

With a whole range of pension plans for the individual—covering everyone from the professional man or woman, to the company director and key executive. All combining full tax relief with maximum flexibility.

So why not talk to your insurance adviser today, or contact Equity & Law at the address below.

It could make all the difference between the retirement you always feared, and the retirement you always hoped for.

Equity & Law One day you'll thank us.

Equity & Law Life Assurance Society Limited, 20 Leadenhall Street, London EC3A 3ES. Tel. 01-242 6844.



OVERSEAS

Ugandan opposition leader held over army depot attacks

From Charles Harrison Nairobi, Feb 11

Armed soldiers have arrested Mr. Bideani Sali, aged 43, a Kampala businessman and secretary-general of the Uganda Patriotic Movement (UPM), after the wave of attacks on police stations and army depots earlier this week.

Security forces are understood also to be searching for Mr. Yoweri Museveni, the UPM president, who was vice-chairman of the military commission which was in power in Uganda until the December elections. All but one of the UPM candidates were defeated in the election.

An unknown, and so far anonymous underground group, the Uganda Freedom Movement (UFM), has claimed responsibility for the attacks, but Uganda government leaders appear to think that the UPM was involved.

Kampala was quieter today, after two days and nights of gunfire, but intensive searches are going on for the organizers of the attacks, in which arms were stolen and in which a policeman and army officer were killed.

Some of the 10,000 Tanzanian troops who have remained in Uganda since driving out former President Idi Amin in 1979, have been redeployed to support the Ugandan forces. President Nyerere of Tanzania said this week that his troops are due to be withdrawn in June, but they may stay longer if Uganda requests this.

A UFM spokesman today claimed responsibility for the attacks. "The UFM is now spearheading the revolution reverberating throughout Uganda," he said. "We are making steady progress. We already control the western region of Uganda."

The spokesman refused to be identified and also refused to name leaders of the UFM. He also denied that either Mr. Bideani Sali or Mr. Museveni were involved with the UFM.



Hotel guests, cut off by the fire at the Las Vegas Hilton, shouting to firemen for help. Eight people died in the blaze.

Christian revival approved by Peking

From Richard Hughes Hongkong, Feb 11

Non-denominational Christianity is being revived in China by the Peking-approved Chinese Christian Three-Self Patriotic Movement.

The Rev. Shen Derong, the movement's secretary-general, told Dr. Andrew Chiu, a Hongkong Lutheran missionary, that 100,000 Chinese copies of the New Testament were distributed in China in October and the entire Bible has been available in the country since Christmas Day.

Hymn books in Chinese are being distributed to Christians in Shanghai, Fujian and Zhejiang provinces. At the third China national Christian conference it was decided to begin the training of new clergy.

The Rev. Shen Derong, originally a Presbyterian pastor, told Dr. Chiu, who visited China recently, that the China Church was not anti-foreign and was indeed eager to open friendly relations and fellowship with all Christian churches abroad.

"We would gratefully accept invitations from any overseas churches to send delegates abroad," he said. But there will be no acceptance of smuggled Bibles or other religious items which disregard the authority of the China Church and the Three-Self Patriotic Movement.

The Christian magazine, *Tian Feng* has resumed publication after having been suspended since the Cultural Revolution. It publishes devotional notes and lectures, traditional hymns and news of the Three-Self Patriotic Movement to all Christian communities in China.

Chinese call to halt car imports

From David Bonavia Peking, Feb 11

The Chinese Communist Party has called for a halt to imports of cars, television sets and other electronic luxury goods, most of which are bought from Japan.

The article on the front page of the *People's Daily* was titled to coincide with the beginning of talks with high-level Japanese Government and business delegation which is seeking to salvage some orders from the recent large-scale cutback on China's imports.

Japan has been hardest hit by the Chinese leadership's decision to suspend most heavy industrial construction projects, especially those with imported plant, which was disclosed last December.

"Reckless importing not only wastes our foreign currency reserves, but also inevitably damages our domestic motor industry," the party organ said in an unusually forthright statement. It also claimed that China's television industry was being hit by imports of Japanese sets, which have grown rapidly over the past year.

China makes only two types of car—the luxury Red Flag limousine for political leaders, and an old-fashioned sedan with the brand-name Shanghai. Jeeps, lorries and other vehicles are also produced domestically, but the call for a halt to imports seems specifically aimed at passenger cars.

The amount of imports is modest. Since 1949 some 300,000 cars have been imported from various countries, according to incomplete statistics.

By far the biggest exporter is Toyota, which gained a foothold in the Chinese market in the early 1970s with the sale of an entire taxi fleet for Peking and a knock-down price. Since then, Toyota has set up a special service station here, and the make has become particularly popular among foreign residents.

None the less, China remains only a minor market for cars imported from anywhere.

Japanese minibuses have been brought into China in significant numbers in recent years, and to acquire one is a status symbol for any large industrial enterprise or government department.

The timing of the call for a freeze on imports of cars and consumer electronics is obviously intended to warn the Japanese delegation that they have hard bargaining ahead. Discussions are expected to centre on China's cancellation of orders for Japanese plant, especially in the steel industry.

The Chinese Government is understood to be angry that Japanese steelmakers consented to build a huge plant at Baoshan, near Shanghai, when they knew that the land was marshy and in other ways unsuitable. Much of the project has had to be scrapped.

The present import cutback affects suppliers throughout the developed world, however, not just Japan. The party leadership has decided that its economic planning is grossly faulty and must be re-examined over the next four years.

World View by Arrigo Levi

West stands firm to prevent cold war

Three Western leaders have recently offered their thoughts on the future of East-West relations and world peace. President Reagan in his first news conference and in his talk with American editors; President Giscard d'Estaing in his ample *entretien* interview; Herr Helmut Schmidt in his Bundestag speech; and the French President and West German Chancellor again in their Paris communiqué, have told what, in their view, should come "after détente".

Sharing a wish to prevent a new cold war, the three leaders have told what the conditions are for the resumption of détente, although the word "détente" is out of favour and new labels are suggested.

Comparisons are hateful, but I shall award first prize to this leader's competition to President Giscard d'Estaing for an extraordinary performance covering the whole picture of international relations, while second place ought to go to Herr Schmidt.

President Reagan's views and world philosophy seem to be much less elaborate, while Mr. Giscard d'Estaing, who have kept silent, cannot complain if President Giscard d'Estaing and Herr Schmidt have once more taken the leadership of Europe. In any case, their Paris communiqué represents the European majority view.

What is more important is that President Reagan's occasionally rough thoughts and the two European statesmen's refined analyses appear to be much nearer than might have seemed possible.

President Reagan starts from a somewhat simplified view of the past decade: "a one-way street the Soviet Union has used to pursue its own aims." We know that Europeans attribute a more positive value to the détente process, which, in their view, has largely taken place in the present political crises of the Soviet system.

But it now turns out that President Giscard d'Estaing's reservations about old détente are quite similar to President Reagan's. What détente meant, according to the French President, was peaceful coexistence between East and West, "living together without making war", but also a change in the position of influence in the world, which has largely taken place in favour of the Soviet Union.

The two Presidents are equally determined to put an end to such one-sided détente.

President Reagan formulates his aim by reaffirming the concept of "linkage". "You

Maltese MPs told of huge backlog in higher courts

From Our Correspondent Valletta, Feb 11

The House of Representatives last night started debating the second reading of a controversial Bill which Mr. Don Miniotto's Labour Government has tabled to limit legal proceedings against the Government.

Dr. Joseph Brincat, the Minister of Justice, who opened the debate said that litigation involving the Government had grown enormously so that there was a backlog of 6,000 cases in superior courts alone. The Government was often to court on every minor issue and this had to stop, he said.

He added that the Government had already provided machinery for complaints to be dealt with by various commissions and bodies such as those dealing with complaints about Government housing and employment.

This machinery would be extended to other departments such as customs.

Dr. Brincat said the commission being set up to supervise court procedure and lawyers' behaviour could be compared to "the system of lay observers" existing in other countries.

He added that administrative discretion should not be subject to judicial review, except in "extra-vires" cases. Matters of policy were the government's concern.

The section which stated that there could be no judicial proceeding filed against the Government before 10 days

South Koreans cast votes for electoral college

From Jacqueline Rediff Seoul, Feb 11

South Koreans went to the polls today to vote for an electoral college of 527 members in the first stage of the presidential election. In two weeks' time the electoral college will choose the new President.

There was a notable absence of election fever or excitement, as most people here consider a victory for President Chun Doo Hwan and his Democratic Justice Party a foregone conclusion.

"I think President Chun will win for sure," the script was written several days ago," said the general opinion.

President Chun, former army strong man, has recently declared that in spite of earlier assertions to the contrary, he is now a politician and accepts the leadership and presidential candidacy of the DJP. Nearly half the total number of candidates for the electoral college have been put up by the DJP which expects to win at least 75 per cent of today's votes.

In addition to the 4,610 DJP candidates there are more than 3,000 independents, but as many of these also support President Chun they represent no threat to his inevitable victory.

The main opposition party, the Democratic Korea Party has about 1,300 candidates while the other two parties that have put up presidential candidates, the Civil Rights Party and the Korean National Party have only about 100 candidates each.

Turkish army arrests 53 in swoop on left

Ankara, Feb 11.—Turkish security forces announced today that they had arrested 53 people after the discovery of an outlawed left-wing organization in Adiyaman province in South-East Turkey.

A military announcement said 22 of the group were accused of being members of the outlawed organization while 31 others were held as accomplices.

The 22 were being charged with the murder of seven people, injuring another two, and responsibility for a number of bombings, robberies and arson, the military authorities said.—UPI.

Commonwealth campaign against hunger urged

Dacca, Feb 11.—President Zia ur-Rahman of Bangladesh today opened a three-day meeting of Commonwealth ministers of agriculture, food and rural development by appealing to the Commonwealth to chart out a cooperative programme for eliminating poverty and hunger.

The task before us may seem to be of staggering magnitude, but given the political will and commitment, we should be able to transform together the agrarian structure of the developing countries within the Commonwealth," he said.

More than 100 delegates from 20 of the 44 Commonwealth countries are attending the conference.

President Zia suggested that

the Commonwealth could establish special incentives to encourage countries hit by food deficits to increase farm output on a priority basis.

Sir Shridath Ramphal, secretary-general of the Commonwealth, who spoke later, said that while achievements in food production in the Asian region generally give us cause for hope, developments elsewhere have a contrasting darkness.

Describing the food situation in Africa as the "grimest", Sir Shridath said that millions in that continent endured acute hunger and faced the prospect of starvation. More than 150 million people in 25 African countries, including nine Commonwealth members, were suffering from abnormal food shortages.—Agence France-Press.

Britain and the Third World: Irrigation schemes make the bush veldt bloom

A crucial role in Swaziland's sugar industry

This is the third of four articles examining the work of the Commonwealth Development Corporation.

From Nicholas Ashford Mhlume, Swaziland, Feb 11

Mr. Hugh Maziya stuck his hands in his pockets and proudly surveyed the fields of sugarcane, its spiky green foliage waving gently in the breeze, which surrounds his house.

Just over a decade ago Mr. Maziya was an impoverished teacher in southern Swaziland. Then one day he applied for a smallholder settlement scheme at Vuvulane, situated in the northern Lowveld not far from the Mozambique border.

Since then he has not looked back. In addition to his sugarcane, which is processed by the local Mhlume Sugar Company mill, he is also producing a couple of acres of cotton as well as oranges, mangoes and vegetables for his own consumption.

"I am 10 times better off than when I was a teacher," he boasted and he pointed to two cars (admittedly neither of them in prime condition) parked outside his house. With a take-home income of around £3,000 a year, he is now one of Swaziland's wealthier citizens.

Mr. Maziya is one of 263 farmers at Vuvulane, the country's most ambitious smallholder development scheme. They hold

20-year leases on irrigated plots ranging in size from eight to 16 acres.

An organization called Vuvulane Irrigated Farms assists the farmers with expertise in fertilizers, harvesting, hiring of tractors, bank loans and almost anything else needed to make the farms work.

The project was created by the Commonwealth Development Corporation (CDC), which has had unique experience in developing smallholder schemes in Third World countries. The Corporation saw the need to establish smallholder skills in a country where most of the 500,000 inhabitants are subsistence farmers.

Vuvulane is situated alongside two of the biggest CDC projects in Swaziland. One is the Mhlume sugar mill, the largest in the country with an output last year of almost 132,000 tons, and the other is the Swaziland Irrigation Scheme, which produces sugar cane, citrus and other crops.

Sugar is central to the Swazi economy. Last year it contributed 37 per cent of the nation's foreign exchange earnings.

By 1982, about 80,000 people will live directly or indirectly off sugar production. Since the CDC started operating in Swaziland in 1948, it has played a formative and often crucial role in the development of the sugar industry.

It began with the irrigation scheme, which is situated on 105,000 acres of former bush veldt. The CDC acquired the land from King Sobhuza II in 1950. By building 40-mile irrigation canals from the Komati River, the CDC was able to transform a barren piece of land into one of the most fertile areas of the country.

The irrigation project was soon followed by the establishment of the Mhlume Sugar Company, initially set up in partnership with a private South African Company. Today it is equally owned by the CDC and the Swazi Nation, which acts as a kind of national development corporation.

In one form or another the CDC is currently involved in organizations which between them produce about half of the total Swazi sugar output.

The CDC is involved in several non-sugar activities. It is a partner with Courtaulds in a large wood pulp mill in Usutu and it has interests in an iron ore mine a packaging concern, a pineapple growing project and an hotel.

Swaziland is the biggest single area of CDC operation. Almost 10 per cent of the corporation's capital, amounting to £45m, has been set aside for projects in Swaziland. CDC projects provide 8,000 jobs and about 40,000 Swazis derive a living from the corporation, making it the largest employer in the country after the Government.

Why has the CDC become so deeply involved in a country

Exclusive Brethren trust a charity

Holmes and Others v. Attorney General

Before Mr Justice Walton

The purpose of the trust known as the Kingston Meeting Rooms Trust (Fetters) for the benefit of the Brethren of the Exclusive Brethren, formerly the Plymouth Brethren, is charitable.

His Lordship so held in making a declaration sought by Mr Robert Edward Holmes, of Chesington, Surrey, and others that the trust was a valid charitable trust. The trustees were appealing against the decision of the Charity Commissioners that the trust should be removed from the Central Register of Charities.

Mr. Charles Sparrow, QC, Mr. Francis Ferris, QC, and Mr. Patrick Talbot, for the trustees; Sir Ian Pender, QC, for the Attorney General, and Mr. John Munnery for the Attorney General.

HIS LORDSHIP said that the question was whether the purposes of the trust were charitable. It had been established by a trust deed dated August 31, 1978, and the purposes, including the acquisition of premises for use as a meeting room. The deed had been presented to the Charity Commissioners for registration under the Charities Act, 1960, and had in fact, been registered. It had then been taken off the register as the original registration was said to have been a mistake. The trustees therefore appealed to the court.

The Brethren claimed to be a fundamentalist group of Christians. The group was founded at the beginning of the nineteenth century at a time when the churches of England and Ireland were spiritually in a very bad way. Their aim was to bring apparently always been that members should separate themselves from the world. Thus, although they were quite content to earn wages as employees, but not in any type of business they regarded as improper, they would not join in a partnership with non-Brethren, they would not watch television or go to the cinema, nor even, apparently, listen to the radio or other words they were an ultra puritan sect. As happened with such sects there were schisms from time to time, each side thinking it had the

'Application is made' when posted

Brady v Licensing Authority for the North West Traffic Area

Before Lord Justice Ormrod, Lord Justice Griffiths and Mr Justice Purchas

[Judgment delivered February 10]

A lorry driver who applied for a licence to drive heavy goods vehicles under the Road Traffic (Driving Licences and Hours of Work) Act, 1976, was posted on December 22, 1976, but was not received by the licensing authority until January 5, 1977. The authority declined to grant the licence on the ground that the application had not been made before the end of 1976.

The question was whether the applicant had made his application before the end of 1976. The court was only concerned with the question of the date of the application. It was not concerned with the date of the licence. The court held that the application was made on December 22, 1976, and that the licence was granted on January 5, 1977. The court also held that the applicant was entitled to the licence.

The court was divided 2-1. Lord Justice Ormrod and Lord Justice Griffiths were in the majority. Lord Justice Purchas was in the minority.

The court's decision was based on the fact that the applicant had applied for the licence before the end of 1976. The court held that the application was made on December 22, 1976, and that the licence was granted on January 5, 1977. The court also held that the applicant was entitled to the licence.

'Penalized' by refusal of parking space

Carlson v Post Office

Before Mr Justice Slynn and Mrs D. Lancaster

An employee who was refused a permit for a parking space because he was not a member of an independent trade union not recognized by the Post Office was "penalized" within the meaning of section 23 of the Employment Protection (Consolidation) Act, 1978.

The Employment Appeal Tribunal allowed an appeal by Mr John Carlson, from a decision of a Cardiff industrial tribunal that his employer, the Post Office, had not taken any action to prevent the purpose of penalizing him for his membership of a union not recognized by the Post Office, contrary to section 23 of the Act.

Section 23 provides: "(1) Subject to the following provisions of this section, every employee shall have the right not to have action (short of dismissal) taken against him as an individual by his employer for the purpose of (a) preventing or deterring him from taking part in the activities of an independent trade union at any appropriate time, or penalizing him for doing so; or (b) compelling him to become a member of a trade union which is not independent."

Mr Jeffrey Burke for Mr Carlson; Mr Christopher Carr for the Post Office.

MR JUSTICE SLYNN said that Mr Carlson's union, the Engineering Officers Technical Association (EOTA), was not recognized by the Post Office. The Post Office refused to grant him a parking permit, which was a benefit of his employment. The court held that the Post Office's action was penalizing Mr Carlson for his membership of EOTA.

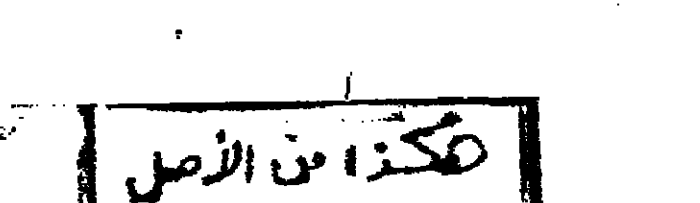
The court's decision was based on the fact that the Post Office's action was aimed at preventing Mr Carlson from taking part in the activities of EOTA. The court held that the Post Office's action was penalizing Mr Carlson for his membership of EOTA.

UN envoy for Afghan talks

Delhi, Feb 11.—Dr. Kurt Waldheim, the United Nations Secretary-General, today named Señor Javier Perez de Cuellar, his Under-Secretary, as United Nations representative on Afghanistan in an attempt to facilitate negotiations between Afghanistan, Iran and Pakistan.

Mr. Agha Shahi, the Pakistan Foreign Minister, said later that the United Nations representative would help to iron out differences between the three countries so that settlement talks could begin.

Dr. Waldheim's announcement in an address to a foreign



Occasion low skills and high temper

Happy
dr engaged
this after-
yesterday it
in train-
care of
anser Way-
end. "I
crunch,"
Dickinson.
Lad went
ought he'd
to what me
e a great
came out
be luck, he
a few days
the Hunting-
two main
so uncon-
wyn has
in a mor-
Wayward
horses. So
both hor-
to run-
mus.
Memorial
the most
day. In
oyage this
case should
improving
four vic-
included
the ex-
means dis-
failing to
to Royal
to since
too good
show and
or's stable
orm Royal
of deliv-
Windsor
Royal
two other
ngdon are
Handicap
the
or

Danahagen
form was
n won in
rd-on-Avon
Cup
be a dis-
are again
runners.
much too
Kabeau.
re also in
set track.
essively at
to be the
the first
Hunters

officially
n: Good to
ry. Back
night, good.

CHASE

r. A. Wilson
Wilson 7
sault 7

Mr Hagedorn
Mr Loyola 7
Mumford 7
Mr Kaylor
Mr Bayless 7
Mr Arthers 7
Mr Bosley 7
D
Hart-Hunt 7
Don-Warlow
Mr Walter 1
No Retreat.

Landicap:

..... Reilly
..... Rowe
..... Ashbury
..... Webber
..... Wilkinson 4
..... Jones
..... Forsyth 1
..... Grissell
..... Barton
..... Tuck
Wallace 7
Wall 7
Dutton 7
..... Whyle
..... Coonan 4
Mr Hall 7
McLaughlin
Lavelley 7

ly recom-
ing. \$ 3.30

Hewes 7
J. Frost 7
Hompson 5
Wynn 6
Farmer 7
Turner 7
12-0
Dore 7
S. Lott 7
Sharwood 1
Pressin-

(2m)
De Haan 7
Wright 5
C. May 7
Lacey 7
Winchell 7
-11-7
Bosley 7
Merritt 7
J. Goss 7
Th. S. Levy 7
Mann 9
K. Pass 7
Gordon Jones 7
Gobbie 5
With Ercles 7
C. Carr 7
McGouri 7
Telephony 7
Williams 7
Carroll 7
4-1 Royal
eters,

(2m)
Chammon 7
King 7
Turner 7
Hobbs 7
Francome 7
Fenton 7
Bishop 7
Webb 7
Map 7
Schneiderman 7
Jones 7
Bosley 7
Watson 7
Nichols 7
Whitman 4
Moore 4-
O'Brien 7
Linne 7
Rutty 7
C. Brown 7
Trance. 8-1

45.
15. Se

Slippery customer : Easter Eel (left) overhauls Two Stars

Derring Rose lets the

By Michael Phillips
Racing Correspondent

Fred Winter, at home in bed with flu, must have felt a little better shortly after 3.35 yesterday afternoon when "new" came through of his treble at Ascot. Fifty Dollars More, Prayukta and Easter Eel all came home ahead in the slight handicap when

It was only when the two fences left that he decided to show his hand. Though Two Stars stuck to his task, aided abetted by the man of the moment, Bob Davies, Easter was always pulling double his up the straight.

No wonder his connection with him winning the Sun A

Wayward
purchases
both horses
to runners,
the most
day. In
age this
ance should
improving
four vic-
the sixth
means dis-
failing to
to go to Royal
time out.
too good
show and
or's stable
form Royal
of deliv-
t Windsor
Hay Handi-
wos other
the Handicap
the Major
Memorial
Levantine
form was
a won in
ed-on. The
enge Cup
be a dis-
runners
much too
cabaneau.
are also in
the most
essively at
to be the
the first
officially
n. Good to
ox". Back
right, good.

CHASE

Mr. J. Wilson
J. Wilson 7
Laundrell 7
Pritchard 7
Laten-Ellis 7
Mr Head 7
Mr Lloyd 7
Mumford 7
Mr Woolley
Mr Haynes 7
...
Arthers 7
...
Hosley 7
...
Hart-Hunt 7
...
ton-Warlow
Mr Walter 7
No Retreat.

Handicap :

... Helly
... Rowe

Wilkinson 4
 . . . Jones
 Forsyth 4
 3
 Grissell 1
 . . . Barton
 . . . Tuck
 Wallace 7
 . . . Wall 7
 . . . Dutton 7
 . . . Whyte
 Coosan 4
 Mr Holt 7
 McLaughlin
 Loveloy 7

Howse 7
J. Frost 7
Williams 4
Thompson 4
Winnacott 7
Farthing 7

-12-0
 as Dore 7
 S. Long 7
 -0
 Sherwood
 -1 Precipi-

 : 2m)
 Dr Haan
 11-7
 Wright 4
 May

77 Hoare
 77 Bosley
 Carvill 4
 . Merry 7
 . Linley
 . J. Guest
 n. S-11-7
 Mann 7
 . K. Page
 11-7
 son Jones
 S. Kniehr

with Eclair
Francome
McCourt
4-10-7
Eighty 7
... Candy
Williams
Garroll
4-1 Royal
cers.
: 2m)

... King
... Turner
... Hobbs 7
... Francombe
... Felton 7
... Bishop 7
... Webb
... May

G. Jones
Baslev
1-3
O'Halloran
Patrick
Whattam 4
Moore 4
Kernick
Linlee
Reilly
C. Brown
Taco. 8-1

1.45 The
3.15 St

CITROËN CARS LTD., MILL STREET, SLOUGH SL2 5DE. TEL: SLOUGH 23808

Bernard Levin

Mrs Thatcher and the baffling case of the missing index-link

In the matter of the index-linked pensions she suddenly goes coy and hands the whole thing over to a committee who throw the poisoned chalice into the nearest dustbin and run for the hills...



It is said that Mrs Thatcher is displeased at the meagre results of the Scott inquiry into the matter of index-linked pensions. If she is, I can only say to her "Tu l'as voulu, Georges Dandin". Did she, or anybody in the Government, really expect anything better or other than the collection of tautologies that the inquiry has produced?

Hark: "It is a highly desirable social objective that the standard of living of those in retirement should be protected". Hark again: "Good pensions, like anything else, have to be earned and paid for during working life and the burden to be shouldered over the next 20 years will steadily grow". Hark yet again: "We suggest that the Government should look seriously at the case for issuing indexed bonds to cover pension liabilities". Hark once more: "In our work, if we have been forcibly reminded that the main objective of public policy must be to beat inflation, we have also been reminded of the serious concern that pensions over a high proportion of the private sector are not good enough". Hark finally (though I could go on for a couple of columns): "If as a society we fail to face these realities we shall find that the precept 'it is a highly desirable social objective that the standard of living of those in retirement should be protected' will be but an empty phrase".

Well, Sir Bernard Scott and his team can certainly claim to be connoisseurs of empty phrases. Indeed, it could be said that there is not a single full phrase anywhere in their report, and I have no doubt that it was only their commendable wish not to delay the birth of their mouse that prevented these eminent mountaineers from adding words to the effect that, other things being equal, fine weather is preferable to hailstorms, that, allowing for a proper margin of error in such complex calculations, 30 days had September, April, June and November, and that startlingly unorthodox view though many might consider it, a straight line is the shortest distance between two points.

But my complaint today is not directed at the inquiry itself and the way in which its members have run away from every question they considered, even including the one they were not asked to consider but

did anyway. Computer scientists have a useful acronym, GIGO, which stands for "Garbage in, garbage out" and it sums up my feelings about the debacle of this report. For the truth is that Mrs Thatcher did not need to set up any such inquiry, and should not have done so. It is the job of Prime Ministers and their governments to take decisions, and it is most emphatically the job of this particular Prime Minister, if she wants to be distinguished from her predecessors by any difference more crucial than that she is the only one (so far as we know, anyway) to wear lipstick and pearls, not to take refuge behind Royal Commissions, Select Committees, Advisory Inquiries or any of the other devices for avoiding action that governments have for many years used.

Come, let me put it as starkly as possible. I voted for Mrs Thatcher for a large number and variety of reasons, but four, though not necessarily the most important, seem to me in retrospect to have assumed a profound symbolic significance. They are: that she should not give jobs in her government to people like Mr

Hector Monro, that she should not give expensive quangos to people like Mr Ivor Richard, that she should not provide seats in Parliament for people like Mr Victor Matthews, and that she should make up her own mind on the questions her office obliges her to answer, and not try to avoid doing so by asking somebody else to answer them for her. She had already broken my first three rules, and she has now broken the fourth as well: indeed, she has done worse, for she has broken one that was not even in the original contract, to wit that if she did succumb to the temptation to live off her responsibility, she should at least choose for the job a group of people who would not instantly flee from it themselves. Is she running a government, or playing pass-the-parcel?

Harsh words, no doubt. But consider: suppose, instead of producing a report for which the only suitable response is a couple of columns of gripe-water and a vigorous patting on the back, the inquirers had delivered something that expressed a view. Suppose they had expressed

her eyes: she can't change the latter, and she can't indefinitely evade the former. Not long ago, the suggestion was made that some kind of independent body should be set up, with statutory powers to control the money supply, so that governments would no longer have recourse to the printing-press when they felt the need to pump popularity into their electoral fortunes by pumping cash into the economy. I cannot remember who put this wheeze forward, though I hope it wasn't me, because it strikes me as about the daftest notion I have heard for a very long time indeed.

Governments are elected, in countries like ours, to govern. True, they rarely do what they are elected to do, and still less often do they do it well, but that, and nothing else at all, is what their job consists of, and what makes the present affair all the more lamentable is that Mrs Thatcher and some of her Ministers had been showing every sign of doing their proper work for their wages: at the very least, you will surely agree that she does not appear to be a woman who doesn't know her own mind. Yet in the matter of the index-linked pensions—a matter over which, ironically enough, she must sooner or later declare her own mind—she suddenly goes coy and hands the whole thing over to a committee, who throw the poisoned chalice into the nearest dustbin and run for the hills.

Serve her right. For in addition to the reasons, listed above, for my decision to vote for her, there was another, and that one the most powerfully persuasive of all. It was that I wanted a Prime Minister who could not, even in the thickest fog, be mistaken, even by the most shortsighted of observers, for Sir Harold Wilson or Mr James Callaghan. And if she is to continue to be readily distinguished from that previous pair, she had better make it clear very soon that she is always willing to take her own decisions.

Boswell tells of Dr Johnson taking a too hot potato in his mouth at dinner and promptly spitting it out upon the tablecloth. In the silence that followed he was heard to say coolly: "Now a fool would have swallowed that." My advice to Mrs Thatcher is to make up her mind on the question of index-linked pensions for the public service, and then swallow.

The danger point for Spain's new democracy is not now. It will come more probably if there is a succession of weak and unstable governments, whether they are built around the UCD or the socialist party (PSOE) of Señor Felipe Gonzalez and especially if the accompanying economic and social problems worsen. Many Spaniards still have little "depth" to their politics and have too quickly now become disillusioned with democracy as many were too enthusiastic about it three or four years ago. But all have votes and the democratic forces at election time.

An old army general raised his voice last weekend against all Spain's politicians, though it made little visible impact where it should have been heeded most—the UCD conference. He had been outraged by the incident in which King Juan Carlos was involved last week in Guernica at the hands of the extremist Basque nationalist party Herri Bata-

Is Spain disillusioned with democracy?

Madrid. The resignation of Señor Adolfo Suarez has left a temporary power vacuum in an already troubled Spain—what ever the intentions of the country's prime minister for the past four and a half years about attempting a comeback later.

Nerves are on edge because this is the first real political crisis since the democratic constitution came into effect in 1978 and Señor Suarez left his Cañre Democratic Union (UCD), the largest party but a dozen of the majority in parliament, wracked by factional rivalries.

The UCD's party conference last weekend in Palma brought into the open these differences which are now especially inappropriate. The wife of a professor at Majorca's new university commented to me: "It seems democracy is fated to be only an interlude in Spain. There is a few years of stability things start to break up. I remember in my childhood the republic began so well in 1931, but then everything was lost in the civil war."

The sense of instability is in some people's bones; in others the old authoritarian reflexes resurface. In the latter case, the power vacuum and contemporary problems like Basque terrorism, law and order, drugs among the young, unemployment, and the economic depression which have little or nothing directly to do with democracy though they all arrived in the Spanish popular awareness about the same time.

On the contrary, he went on, "It must be recognized that the integration of the Basque country through its links with the crown only became a problem when the traditional policy of mutual loyalties, which had been at the basis of our union, was broken."

Guernica was the highpoint of the King's visit which ended, whether serving military men approved or not, with a symbolic embrace at San Sebastian's airport between Juan Carlos and Señor Carlos Garaicoechea, Chief Minister of the new Basque autonomous regional government.

The king's visit was courageous and a success in the campaign, which is now of the highest importance, to isolate ETA.

To judge by Monday's massive protest demonstrations throughout the Basque country, the ETA war has not yet ended. The king's visit was courageous and a success in the campaign, which is now of the highest importance, to isolate ETA.

But the UCD has now in its hands the same economic and social problems baffling other western governments and sort out its own identity. The transition period to democracy is also over for the UCD. Señor Suarez believes it is as an interclass party that the UCD can still go on winning elections despite changed economic times.

But the other third of the party believes the UCD's future can only be as a conservative or moderate right party like those elsewhere in Europe, attracting more exclusively to middle-class interests as the PSOE advances on the moderate left.

What the UCD cannot go on doing, they argue, is to keep amassing votes from all sectors of a society come newly to democracy by means of a party apparatus which caters to this sort of generalization but which neglects to attend to any of that electorate's needs. All the talk in Palma about "internal party democracy" was really about having the power to respond to the interests of a clearly defined electorate. The alternatives, the critics say, is massive abstentions or a switch by electors to other parties next time.

Richard Wigg

Ronald Butt

The bogus race charges against the Nationality Bill

The Government's British Nationality Bill, which has this week begun its committee stage in the House of Commons, was scarcely in print before it was attacked by those who have vigorously resisted every proposal to control immigration in the last 40 years.

They hardly needed to read and digest it to know that it was in principle a bad Bill, and they were confident that the pressure groups which had provided them in the past with the righteous ammunition of arguments and statistics would be able to instruct them in the detail of its badness. And why was the Nationality Bill bad? Because, as their repeated argument has it, this is not so much a Nationality Bill as another immigration measure based on "race".

Yet how can this or any other Bill seeking to define nationality, and to determine a person's right to it, not be related to immigration? If the British Isles were still, as they were from the Middle Ages until the beginning of this century, untroubled by any attempts at large scale migration of other peoples we should not need to define nationality. What makes it necessary to do so now are the consequences of a migration that has not stopped yet. This, of course, is the answer to Mr Roy Hattersley's claim that the

Bill reverses a 700-year-old right of anyone born here to British citizenship. In fact, that ancient right was to be a subject of the crown and it made perfect sense when the difficulty of travel made the sort of abuses that can occur today.

In the aftermath of the old imperial sentiment, we were naturally reluctant at first to impose restraints when the number of immigrants was comparatively small, manageable numbers, they were welcomed, but the rate of immigration became such that efforts had to be made to control it by new laws. Each one of these was more or less rendered ineffective by the willpower of those who have opposed every immigration law and now the Nationality Bill as "racist". Their technique of opposition was simple but devastating. They created a new equation between immigration control and what they call "race", and they again seeking to kill the new Bill by applying this well-tried formula to it.

So on what grounds do they attack the new Bill as "racist"? They do so because, they say, it will in practice hit people who are, in their preferred emotive terminology, "black"—by which they mean (if one must follow them in their obsession with pigmentation) mostly brown or yellow, since the extent of Caribbean immigration is no longer significant and is in any case probably easier to absorb

than the culturally and linguistically more different groups from Asia. Yet how can this or any other Nationality Bill avoid affecting mainly brown or yellow people since it happens to be principally these people who are either seeking to come in, or whose present possession of citizenship of the United Kingdom and Colonies (though giving them no right of residence here) might be cited as the basis of "moral" claim to residence in certain possible future circumstances?

The Bill's opponents claim that it has a bias against the non-white commonwealth, but this is bound to be so since it is from the non-white commonwealth that immigration (with the evasion of immigration controls) has largely come and remains likely to come. If it came mainly from the white commonwealth it would be the white commonwealth that was principally affected by the Bill—and what would become of the "racist" argument then?

Or let us suppose that, by some magic formula, the Indians, Chinese and Malaysians whose rights are said to be affected by the Bill could be whitened; or let us pretend that they were no more different from the British majority than Poles or Germans. Would the charge of "racism" still stand against the Bill?

In their attack on the Nationality Bill, some of the religious leaders, egged on by the pressure groups



Archbishop Worlock: "It must be racist..."

operating on this subject inside their churches, have seemed less than rational. In the case of the Roman Catholic archbishops, led by Cardinal Hume and Archbishop Worlock of Liverpool, I will go so far as to say that their reaction has been impertinent in the worst sense of the word—that is to say it is not pertinent to the true

nature of the argument and also, in its detailed attack on a parliamentary measure, goes beyond their proper province.

In Monday's BBC Panorama, Archbishop Worlock of Liverpool said of the Bill: "Well, it must be racist, or at least, it must be racist in the sense that the cases that the Bill is really going to deal with are people who for the most part are going to be included or excluded because of where they come from and the colour of their skins."

If the people so dealt with were white? Would it still be racist? And what is race? And is the archbishop saying that because the people affected principally may be brown or yellow they should be free of restraints which could properly be imposed on them without charge of racism, if they were white?

These naïve episcopal interventions are more likely to stir up racial tensions than, as the bishops obviously wish, to damp them down. Since they encourage the propaganda of the less reasonable immigrant leaders that their communities are persecuted while waiting to be admitted to the right of protection for the British identity is "ruined". To criticize the Roman Catholic hierarchy in this way will in some seem shocking and disrespectful, but if the bishops choose to come down into the political arena with

detailed political argument, they must face the same sort of criticism that can properly be levelled at politicians.

Of course, there are always moral and religious questions underlying the law as it affects the behaviour of human beings to each other, and one such question is how we deal with people of another "race", nation or family. Of course, the archbishops have a duty to speak on the principles which should guide conduct in such matters as they do, quite properly, when they state categorically the sanctity of human life in opposing euthanasia or abortion.

Yet curiously in this matter of "race" they seem to speak with an attention to detail and an expectation that the details of the law should be written to their approval which has never applied, I think, to their approach to abortion. Here, while leaving their own flock in no doubt about what is right and while supporting attempts to tighten the law in their direction, they have never thought it right to prescribe what the law determined by the parliamentary majority should say. Now, however, they are virtually demanding that the Nationality Bill should be written to their approval and to satisfy in detail the nine principles which they outlined in 1979. They have condemned the Bill as "misconceived" (even though the majority would support it) and have demanded that the Home Secretary should reconsider

it, claiming for themselves an expertise in determining the consequences of this or that clause, for which I should have thought their qualifications were not great.

On Panorama, Archbishop Worlock again demanded (quite against British custom, which eschews this sort of generalization) that the Bill should begin with a ringing declaration that Britain's identity is multi-racial, rejecting Mr William Whitelaw's view that this is in any case self-evident. Well, let the archbishop say what he means by race, racial and multi-racial since such terms, if ended might become a matter for the law courts. What better opportunity could he have for a return to medieval scholasticism?

Of course Britain is now multi-racial in the sense that there are large numbers of people of different colour sharing the origin and common culture of the majority and this is not to be changed. But having accepted this, what more must the majority do to purge themselves of the bogus charge of racism?

The Nationality Bill, hardly a lion of a measure, has already been weakened on two important points under pressure. Still, it is something that an attempt is being made to define a British nationality for the future. It is a start towards rebuilding national cohesion. The underlying question remains: what is the morality of nationhood, that is a subject to which I hope to return.

LONDON DIARY

Polish corridor without power

One side effect of the current events in Poland is that prime ministers of that country now appear to have a security of tenure marginally less than that of English football managers. Yesterday I had the pleasure of discussing the Warsaw political climate with the Polish prime minister who has held down the job without serious challenge for the past five years.

Kazimierz Sabbat would be the first to admit he is not a serious threat to General Jaruzelski, who moved into Eastern Europe's hottest seat this week. Sabbat is a south London businessman who since 1976 has headed the Polish government-in-exile, a hang-over from the last major re-drawing of European boundaries at Yalta in 1945, which still maintains a brave presence at Eaton Place, SW1, with a full cabinet of 11 ministers.

Sabbat, who leads a loose coalition of independents, took power from the Socialist predecessor in 1976, and was confirmed in office in the general election of 1978, in which one quarter of the 150,000-strong Polish community in Britain voted. His

greatest success in office is to have been vilified in a recent edition of the Soviet journal *Literary Gazette*, in which the Eaton Place Cabinet was described as directing the counter-revolutionary forces aimed at removing Communist government from Poland.

The Soviets were too kind: Eaton Place does not have that degree of influence.

"We are the focus of political activity abroad, and the inspiration of people at home but I do not see us actually ever returning to take power in Warsaw", Sabbat said. "Our main purpose is to represent a true picture of Poland in the West."

The old Poland has kept a presence in London since the Polish government moved here during the war. The current President is Count Edward Raczyński, who prefers a discreet home near Harrods to the official presidential residence in Eaton Place.

Sabbat insists that the London Polish government does not engage in any kind of counter-revolutionary activity, although it does collect money and send food parcels back home.

When I spoke to him, Sabbat was surprisingly moderate in his views of his newly-installed rival in Warsaw: "There is one thing to Jaruzelski's credit: during the strikes last

August, he stated clearly that the Polish army should not shoot Polish workers. Whether he will be able to maintain this posture, no one knows."

His views on the Soviet threat to Poland were less compromising: "Russia has swallowed too much. Poland is a foreign body struck in the Soviet block's throat. They do not want to spit us out, but they cannot swallow us."

Sabbat thought that direct Soviet intervention was not imminent, and that the use of war between the government and the emergent workers' movements would continue for some little time yet. And if in the more distant future there were ever to be a non-Communist government in Warsaw, he conceded, it would come from inside Poland rather than from Eaton Place.

Canada calling

It is a pleasant change to be able to report political machinations concerning Canada, a nation normally regarded by headline-hungry news editors as one of the most dull and unproductive corners of the earth, at least since Margaret Trudeau took flight in search of a gayer life.

Being appointed British High Commissioner in Ottawa has not been regarded in the past

as one of the more challenging posts with which to crown a diplomatic career, but the job has suddenly become, if not a hot seat, at least a fairly warm one as the fires of constitutional crisis are fuelled by dark reports of telephone bugging at the Canadian High Commission in London.

The choice of Lord Moran as our new man in Ottawa is significant. He is the son of Sir Winston Churchill's doctor who wrote a splendidly indiscreet memoir on the old man. Friends of the younger Moran who know him well say he is considerably more discreet than his father, and is an ideal man to fill a diplomatic post which has suddenly become sensitive.

Lord Moran was described to me yesterday as the model of a British diplomat, good-looking in a very English sort of way despite his 56 years, and above average intelligence for a career Foreign Office man. (That is not to imply that all the rest are boneheads, merely that Moran is particularly articulate and well-read.) In private, however, he tends to be reserved rather than gregarious.

He moves to Ottawa from Lisbon, where he was put in as ambassador after the Portuguese revolution, another case of a once-posting becoming delicate and requiring the talents of a sensitive man.



Before that he was our man in Budapest.

On the other hand, friends of Mrs Jean Wadds, the Canadian High Commissioner in London, have expressed surprise at her telephonic phobia. Those who knew her in previous incarnations, first as daughter and

wife of wealthy Ontario Conservatives, and later as a Canadian MP and party secretary, could not recall her clutching under desks for bugs or looking compulsively over her shoulder. I managed to find one associate who recalled having a conversation with her, spy-style, in close proximity to running water to foil the microphones, although the water was actually coming from a garden hose.

There is some doubt, however, that the leaked diplomatic cables mentioning wiretapping by the British actually emanated from Mrs Wadds, who is more of a hostess than a diplomat. When the constitutional issue began to boil last November a certain Mrs Reeves Haggan was flown in from Canada as a "special adviser" to Mrs Wadds, an attractive 60-year-old divorcee whose chief role had been to arrange supper parties at which selected victims from Westminster could be browbeaten by Canadian diplomats on the constitutional issue.

Although a Conservative by background, Mrs Wadds was confirmed in her London post when Pierre Trudeau's Liberals regained power. When Trudeau was in London last summer she was a recipient of his legendary charm in scant evidence

recently—and was apparently converted to his constitutional views.

Look in your 1981 diary, and I'll bet it says that British Summer Time begins this year on March 22. Well, it's wrong, as is every diary I have examined, with the honourable exception of the Oxford University Diary. All others were printed before the Government's decision late last year to bring our start of summer time in line with Europe. The Royal Observatory confirmed yesterday that the correct date is March 29, so do not adjust your clocks until then, unless you wish to be done out of that hour in bed a week too soon. There is no change in the end of BST; it remains at October 25.

a tiepin, has produced one for the Parliamentary Labour Party, a modestly historic event when you recall that the founders of the PLP earlier this century had bowled out specially designed for the occasion.

Mason has produced a limited selection of ties in green, maroon and blue. The green version is selling quite well, the blue has sold out, but there appears to be few taken for the maroon. Do I detect another subtle pointer towards centurism (blue being the colour most closely associated with Limehouse, at least among the jazz fraternity), or is it just because the sartorially-conscious Labour backbenchers from the polytechnics feel that a red tie would clash with their sombre suits?

I do not mind Nigel Dempster, the Daily Mail's stylish raker of inconsequential muck, writing mischievous stories about the misdeeds of newspapermen owned by Rupert Murdoch. But when he writes this newspaper in Latin of what it might expect under a new proprietor, Cavendish Temporum, he could at least try to get his grammar right: workers of The Times are plural. His piece, incidentally, was about factual errors.

Alan Hamilton



New Printing House Square, London, WC1X 8EZ. Telephone: 01-837 1234

DOOMED FROM THE START

Inevitably, a storm of protest has greeted yesterday's much heralded and widely feared announcement by the French-owned Talbot company that it intends to close its Scottish car plant at Linwood. Mr Bruce Millan, the Shadow Scottish Secretary, calls it "absolutely disastrous news" and wants everything possible done "to prevent this catastrophe happening."

Mr John Davidson, the Confederation of British Industry's Director in Scotland, describes it as a "major blow to the economy of the west of Scotland." Mr Donald Stewart, MP for the Western Isles and leader of the Scottish Nationalists at Westminster, regards the blow as "critical" and Mr Jimmy Milne, general secretary of the Scottish TUC, has suggested that his movement will support Linwood workers if they decide to fight the shutdown.

The impact of the French decision on Scotland, with its particularly high level of unemployment, will indeed be extremely severe. Nearly 5,000 jobs will go directly at Linwood. Although the British Steel Corporation claims that the plant takes only about a tenth of its output from the Ravenscraig plant, that hard-pressed industry will also suffer. There will be repercussions, too, among component suppliers, and for commercial undertakings in the immediate vicinity of the plant.

Yet to call upon workers and the British Government to fight the French decision, while understandable, is almost certainly both wrong and unhelpful. Linwood's problems go back many years—to a time, indeed, before the plant was even built.

The first mistake was made by the Macmillan administration, when it took its "Solomon's judgment" to erect not one major steel-producing plant but two in South Wales and Scotland. This muted the clamour from the two regions for consideration where the provision of jobs was concerned, but it left Scotland with a plant that lacked adequate outlets for its products. Linwood was erected by the old British-owned Rootes organization to build the new Hillman Imp and, in part, to fill this gap.

When Rootes got into difficulties the Labour Government, mindful of the impact on its electoral prospects of more redundancies in Scotland, decided to support a rescue operation mounted by America's Chrysler Corporation. In doing so it flew in the face of advice given by its own experts. And when Chrysler found that it, too, had had enough, the new straw offered by the giant French Peugeot-Citroën group was seized.

Linwood's early troubles came, in large part, from bad industrial relations, low productivity and—later—aging models. Recently, productivity has shown a marked improvement and disputes have lessened. But these changes for the better have clearly come too late.

The French multinational, like its counterparts throughout the Western world, is in the grip of the worst recession in post-war history. Some 23,000 of its home-based workers are on short time, its losses are mounting, and it clearly believes that there are other and potentially more profitable plants than Linwood at which to build its replacement family car for the Peugeot 104.

Even with a sizable measure of financial support from the present British Government, which would have been forthcoming, it cannot see the Scottish plant becoming viable.

This is the kind of decision that a commercial undertaking, as distinct from a government or from individuals quite properly concerned with social implications, is best qualified to take. There is no point in pouring more money into an operation which had a doubtful genesis and which was propped up by the British Government under American pressure in the 70s and against the best advice of those charged with examining its problems.

The energies of those concerned with the totally unacceptable level of unemployment in Scotland—and the concern should be shared by everyone—must now be directed not at destructive criticism of the French, but at constructive suggestions designed to produce work of value.

There are several lessons to be learned from the Linwood affair. One is that "undertakings" of the kind given first by Chrysler and then by Peugeot, however well intentioned, cannot guarantee jobs another, that improvements in productivity and labour relations cannot and must not be deferred in today's harsh economic circumstances; a third, that the provision of limitless sums of both public and private money will not sustain enterprises whose products have little appeal; and above all, that the survival, or extinction, of Britain as an industrial nation ultimately depends entirely on its own enterprise and endeavours.

IN DEFENCE OF WESTERN VALUES

In many ways it is an odd time for the Committee for the Free World to bring itself into existence. At its inaugural press conference on Tuesday this multinational of concerned intellectuals said in a prepared statement that "free societies are coming increasingly under attack... Our aim is to alter the climate of confusion and complacency, apathy and self-denial, that has done so much to weaken the Western democracies in the face of growing threat to their continued viability and even their existence as free societies". It went on to assert that in the mass media, institutions of higher learning and "among intellectuals generally" it had now become nearly orthodox to assert that the freedom of free societies was a sham. Such denigration of western values, it fears, could lead to totalitarianism of the left.

This is difficult to swallow. The general climate of public and intellectual opinion is probably less sympathetic towards Soviet communism than at almost

any time since 1917. The Soviet model has manifestly failed wherever it has been tried, and even the attempts of the new left to attribute its failures to Russian traditions rather than structural defects has had only limited success. The intellectual challenge to the principles of plural democracy is surely on the wane, at any rate in comparison with the late sixties.

The new committee must therefore be careful about attributing the west's lack of confidence and general mental confusion to the influence of the left. The west is confused and worried because it faces huge and difficult problems. Some parts of the left aggravate these problems by conspiring within the unions and the Labour Party and by promoting policies which, if carried out, would weaken the west's military defences. Against these activities the country needs to be alerted, and indeed has already been alerted. But the notion that there is a general conspiracy of left wing totalitarianism pervading the country,

and in particular the media, is exaggerated.

If the new committee is to be effective—and it deserves to be because most of its members and principles are admirable—it must avoid being regarded as a right-wing pressure group. The right has no property rights over western values. The essential basis of western political culture is the belief that nobody has access to a single truth and that we can grope forward only by jealously preserving space for the market place of conflicting ideas. In this market place the criticisms, challenges, dissatisfactions and worries of the left are as necessary as those of the right.

If the Committee for the Free World devotes itself to rational argument it will perform a very valuable function. If it occupies itself with searching out conspiracies, or if it equates criticism with subversion, it will isolate itself in an intellectual ghetto as unproductive as that in which too many leftists also seek refuge.

GRUBBING FOR VOTES

One should never be surprised at the twists and turns of the French Communist Party. Its latest notion is to make a thinly disguised appeal to racist feelings in France, and in particular to those who are resentful of the presence of immigrants from North Africa and elsewhere. Last December a raid was made on a hostel for immigrant workers from Mali in the Paris suburb of Vitry, apparently led by the Communist mayor; gas, electricity and water were cut off, and doors, staircases and windows were blocked by earth and rubble pushed up by bulldozers. Last weekend another Communist mayor in Montigny-Les-Cormeilles, another Paris suburb, collected a group of about 50 supporters and led a demonstration outside a building where a Moroccan family lived, accusing the father of the family of being a drug trafficker.

No one denies that the presence of immigrant communities creates problems in France. Many of the immigrant workers are paid very low wages and live in virtual ghettos, cut off from their surroundings. But the way in which the Communists are now drawing attention to them, and blaming the government of President Giscard d'Estaing for their existence, is calculated to appeal to a xenophobia which is never far below

the surface. The incidents in Vitry and Montigny were only the most outrageous in what appears to be a deliberate campaign, backed by M. Marchais, the party's secretary general, and the only possible explanation is that, faced with the prospect of doing badly in the first round of the presidential election in April, he has decided that this is the card to play. Certainly that is the way it is seen by discontented members of his own party.

After the incident in Vitry, M. Marchais made a speech in which he attacked the policy of allowing immigrant workers into France "at a time when we have two million French and immigrant people on the dole." He then led a march by 10,000 supporters through Vitry in support of the mayor, to the accompaniment of banners proclaiming "No to ghettos in Vitry".

In Montigny the mayor said that he had received a letter denouncing the Moroccan as a drug trafficker, and he accused the police of doing nothing about drugs in the area. He described the demonstration as an attempt to counter the drug traffic. Since then he has been sharply criticized by the Socialists and, not surprisingly, representatives of the government. But he has been

supported by senior members of the Communist Party, including M. Pierre Juquin, a member of the political bureau, who said that there was a threat to French youth, and the party would not stand idly by.

The election is an important one for M. Marchais because he has to maintain the Communist vote, or see a manifest decline in the party's influence. But the party's traditional voters are upset by the switches of policy over the last few years. In 1968, the French Communists condemned the invasion of Czechoslovakia. For a time they adopted a Euro-communist line of independence of Moscow and backed an alliance with the Socialists. But in 1977 they broke with the Socialists at a time when they were being urged to support the parliamentary elections, and since then they have reverted to a pro-Moscow line. They have vigorously defended the Soviet invasion of Afghanistan. The latest switch of policy is a demand for places in the government of M. Mitterrand, the Socialist candidate, if he wins the election, after three years of bitter attacks on him. It is not surprising that the party's supporters are confused. But it shows a depth of cynicism to try to bolster them with a bigoted and racist blue-collar vote.

Trade with Eastern Europe

From Mr A. L. Stacpoole
Sir, Sir Richard Dobson (January 30) has asked an important leading question and it deserves a serious, balanced reply. Should we not, asks Sir Richard, sustain trade sanctions against the USSR because it is still in Afghanistan? No, we should not. It would be a useless, sentimental gesture akin to the Anglo-French guarantee of Poland before the last war. So much for the serious reply; now for the balance.

What we should do is to try to understand something about the fundamental significance of East-West trade. It is wrong to say that the level of East-West interdependence is low. According to one recent unchallenged commentary, no less than 25 per cent of West German trade is done with the Eastern block as much as Federal Germany-United States trade.

It has been said that, if international opinion is again flouted as seriously as in the cases of Afghanistan or Czechoslovakia, then some West European nations are ready to cut off all trade with the block. If this is so, we ought at this time to be asking ourselves whether we would be prepared to follow them. If the Alliance is to mean anything in the present situation we should be ready with definite responses to designated moves from the other side. This time public opinion should be prepared in advance.

It is most important to be clear that any interruption of East-West trade for political reasons would be taken very hard by the other side. Whilst we might envisage the interruption as being in the nature of a temporary sanction, it would be most likely that they would turn it into a prolonged rupture. It follows

that the effect would be long-term and deep. For instance, where lost 25 per cent of their trade? In other words, the move would hurt us as well as them, and have repercussions which might surprise the public, in the light of their present information.

It is only in discussing these important questions at length and in detail that the nature of the problems which we face can be understood. There is another aspect of this which seems to me to be equally important. It must surely make a difference to the other side's selection of its options if it realizes that we understand them and are ready to face the consequences of taking the necessary measures to deal with challenges. Yours faithfully,

ANTHONY STACPOOLE,
24 Landridge Road, SW6,
February 4.

The political importance of Mrs Williams

From Sir Ronald Miller
Sir, You accurately pinpoint Mrs Shirley Williams in today's paper (February 10) as "this somewhat indecisive woman of middling intellectual attainments, and mistaken views". You then suggest that "she would make a good Prime Minister".

Are indecisiveness, a middling intellect and mistaken views really the qualities Britain needs to lead the nation in a nuclear age? I would have thought the rigour, the resolve, the total determination of a Churchill would be rather more appropriate.

We are fortunate to have a Prime Minister with just those qualities. Let us stand firm alongside Margaret Thatcher until her lovely, often uncomfortable, but from gentle but wholly crucial work is done—and that means into and beyond the next election.

Yours faithfully,
RONALD MILLAR,
Theatre Royal, Haymarket, SW1,
February 10.

From the Dean of St Catherine's College, Oxford
Sir, The support which the public have shown for Mrs Williams in the recent election shows that the centre coalition offers the chance of reversing the alienation of the electorate from the democratic process. It is, after all, more than 20 years since the Labour Party, in 1959, captured the imagination of the electorate.

The crack in the old system has shown itself, by a combination of historical circumstances. In the Labour Party, but we also know that the present Conservative Cabinet is as divided as any Labour Cabinet has been, and the crack could have come anywhere. Those who are ready to leave the Labour Party must be more painful for them, they have to accept the fact that so far it is the moderates who have split, not the party as a whole. But in the course they are taking they are rejecting the old political judgement on two points of overwhelming importance.

First, they know when to accept defeat. The campaign against Callaghan, the defeat of Healey and the humiliating loss of the 1979 election have shown that we are not to weep tears over, but are political facts which must be accepted. To cherish the idea of repeating Gaitskell's comeback in 1961 while jacking up one of his assets—decisive union backings—seems to me a campaign in his support and widespread popular esteem is to live in cloud-cuckoo-land. To fight on a different battleground is not.

Second, they do not want to live in a Britain programmed by the left; they want neither a siege

economy, nor enabling laws, nor oaths of loyalty, nor socialist legislation, and they do not want those who talk of these things to capture power. Is there any rationality in remaining their allies?

Still it must be emphasized that what is important in British politics is the realignment which the Labour division makes possible. The historical development is more important than its cause. How that development will now proceed is impossible to predict but the starting-point is clear: the centre coalition is still in its formative stages but it already enjoys widespread electoral support. It can unite on an immediate programme of electoral reform and it is firmly based on an enduring consensus in its pragmatic approach to the problems of industrial efficiency and human welfare. Yours faithfully,
WILFRID KNAPP,
St Catherine's College,
Oxford.

From Mr J. R. L. Cunningham
Sir, In your leading article of today (February 10) you say of Mrs Shirley Williams: "There is no politician who is more completely a democrat" and also: "She wants to abolish private education." Such statements are irreconcilable. Yours faithfully,
JOHN CUNNINGHAM,
Investment Research,
28 Fawcett Street,
Cambridge.

From Wing Commander John Boston
Sir, Thank God for your leading article today. For the first time I meet an agreed one thing, and that is that we have never been so deeply divided as we are today, and in my opinion the situation is desperately urgent. Your leader is quite admirable. Yours faithfully,
JOHN BOSTON,
35 High Street,
Sevenoaks, Kent.

From Mr D. C. Damant
Sir, In your leader, "The sooner the better", you state that the two old parties are widely seen as having failed. Does this mean that the nation—or you yourself—will see as failure any attempt to solve the economic problems of the country without unpleasant side effects lasting more than a year or two? I have no doubt that it seems unlikely that we can ever escape from inefficiency and relative poverty. Or do you argue that only politicians such as Mrs Williams can persuade people to accept the right policy? In whose case your leader might have considered what

the policies of any new party might be and not just its political appeal.

There is no reason why the right economic policies should be inactively and politically responsible. If the consumer is required to accept less wealth and more risk as an investment for the future. Yours faithfully,
D. C. DAMANT,
16 Orchard Street,
Cambridge,
February 10.

From Mr A. G. Fathers
Sir, Your leader today generates a lot of warmth for Mrs Williams. But for me you are not at all. I am echoing the cry of fudge, fudge and fudge again of the years of the Buskellite reign up to 1979.

It may be that the ideas of Mrs Thatcher will fail. Certainly they are not popular and do not appear to be being implemented by the "what? Cabinet over which she currently presides. But to categorize the present Government as one of "two old parties widely seen as having failed" seems odd. Mrs Thatcher deserves more than to be tarred with the brush of Mr Heath, and of the Whitehall knows best corporations of the Labour and Conservative Administrations which preceded her. Professor Higgs may doubt that she is going fast enough, at least he says (which is more than he said for Mr Heath) that she is going in the right direction.

Mrs Williams—indeed, what incisive woman of middling intellect!—will take us straight back to policies which have failed. Mrs Thatcher, the first genuine right-wing, market-oriented Prime Minister since the war, is at least giving the chance of breaking out of our dismal post-war mould. Yours faithfully,
A. G. FATHERS,
Orchard Mount,
513 Upper Richmond Road West,
Richmond, Surrey.

From Mrs A. M. Stewart-Wallace
Sir, A leader which invokes a clarification of "the sooner the better" is a welcome one. From that most indecisive and nervous of all fictitious characters, Mr Woodhouse, to launch a new political party and then proceeds endeavours to tell us that we have not agreed with any Prime Minister since Neville Chamberlain, is a pure delight. The Times must survive. Yours, etc.,
MARY STEWART-WALLACE,
The Moor House,
Ditchling, Sussex.

Closed shop counterpoint

From Mr Alan Campbell, QC
Sir, The closed shop has the support of many employers as a matter of convenience, and of most trade unionists as a matter of principle. The cautious advance by her Majesty's Government into this potentially explosive area with the introduction of a "conscience clause" and special provisions to limit secondary action to compel union membership was fully justified.

However, the question remains as to whether further steps should be taken to protect the rights of individual workers who do not wish to join a trade union so as to safeguard their freedom of choice in the role of practice an appropriate expedient should be the emphasis shift from solution to safeguard, is the reintroduction of a system of positive rights requisite in this regard.

The resolution of these questions warrants time and care, as any policy decision to shift the balance will have important political and legal repercussions. The Green Paper (Cmd 8129), as in the intention, affords valuable material for constructive discussion and debate. It is also worth recording the view of Mr Gutter, when Minister of Labour:

I have opposed the closed shop throughout the whole of my trade union career not because of tenderness for a few who have conscientious objections, but for the other reason that it means too great a concentration of power (Hansard—February 16, 1965, vol. 1 cols 1019-20).

I am, Sir, your obedient servant,
ALAN CAMPBELL,
1 Harcourt Buildings,
Temple, ECA,
February 9.

Battle for the countryside

From the Duke of Buccleuch and Queensberry
Sir, During your lengthy and high minded correspondence about the fate of the countryside and conservation, it is surprising how little diagnosis has been made of the root causes of the concern to many experts.

Assuming that there is a declining trend, it is surely all the more necessary to reverse it by seeking remedies to those causes.

These are clearly identifiable as:
1. The break up of family estates, the traditional guardians of the heritage for 500 years; and
2. The ensuing economic pressures on those who purchased the fragments.

I phrase "good estate management" automatically means, as it has done for centuries, a balanced approach to the treatment of the countryside that simultaneously secures the economic production of food and timber, public amenity and sport, and wildlife conservation and landscaping in a constantly changing and never static setting, all harmoniously blended into a cohesive plan with a time scale of one hundred years or more.

Too often stony eyed conservationists have backed those promoting the fragmentation process, and too late do they realise the inevitable track of the hackneyed adage about geese and golden eggs! Yours faithfully,
BUCCLEUCH,
Boswell,
Selkirk,
Scotland,
February 6.

Family matters

From Mr A. R. Rogers
Sir, When Lady Grantham mentions the ethical and professional standards of doctors (February 9), she gets at the very centre of the under-age sex issue.

Contrary to the advice from the British Medical Association and the Department of Health and Social Security, the decision to give a child under 16 years of age contraceptive advice is never the decision of the doctor. A doctor's medical knowledge enables him or her only to judge the type of contraception which might be suitable for an individual based on medical facts and that individual's medical history.

The decision to provide or not to provide contraception for a particular age group is a moral and legal one made by parents and by society as a whole. Legally and morally parents have a right to consent to any medical or surgical procedure recommended by a doctor for their child and for this reason the confidence a doctor has with a child extends to include the child's parents or guardians.

Where a doctor has reason to believe that the parents may be "unconcerned, entirely self-serving or grossly disturbed" that is the very worst situation in which to issue contraception. It is clearly in the child's interest for a doctor in such a situation to seek the care and supervision of a parent, or of the authority, and this is within the meaning of the Children and Young Persons Act 1969.

If the nation's teenagers are entitled to run into Brook advisory centres or family planning clinics and obtain contraception, which is "exceptional circumstances", exceptions will become—and are quickly becoming—the rule and the whole principle of protecting children within a family will have been thwarted and irreparably damaged. Children under sixteen have a place in such clinics, and family doctors should be far better equipped to deal with such a serious family crisis without practising expediency and signing a scrip for the pill. Such children need help, not contraception.

Yours faithfully,
ADRIAN ROGERS,
Chairman, Responsibility in Warfare,
1 Victoria Park Road,
St Leonards,
Exeter, Devon.

Civil liberties

From Mr H. Justin Evans
Sir, You give frequent and extensive publicity to reports and statements issued by the National Council for Civil Liberties but in the years I have been studying the question, you have never given your readers any indication of the nature, number or allegations of the individuals or organizations who support it, the methods by which its committees are appointed. In short, its evidence would justify the highest sounding title National Council for Civil Liberties, which implies a national and authoritative backing and to whose stated aims no right-minded person could object.

Yet a reading of the material emanating from the NCCL would suggest that far from being national, it is small and highly selective in its membership; its committee is composed of left-wing elements, and its public pronouncements generally come, pat and predictable, from its paid officials.

Major promoting "Civil Liberties", its main aim seems to be to undermine public confidence in the established forces of law and order, weaken the police authorities, to publish evidence or verdicts by judges or jurors seems to weaken its support for such figures as the Grunwick pickets, Jimmy Kelly, Astrid Peck, Jamie Dunbar, Brian Peck, Stephen Gifford, or any prison inmate who complains of his treatment for disciplinary offences.

I may well have termed a biased view of the NCCL, but the recent reading of the report by its "Unofficial committee of inquiry" (see Spectator, April 23, 1979), published last April and referred to with later supplement, in your issue of January 7, has done nothing to change that view in spite of the philosophical evidence of its chairman. Its one-sided tendentiousness can rarely have been equalled. It is much to be hoped that those who can better inform about the work and attitudes of the NCCL. Yours faithfully,
JUSTIN EVANS,
Globe House,
Church Street,
Shropshire.

Pension privileges

From Mr David Green
Sir, There are in fact three nations for pension purposes, not two. Although the self-employed share with the privately employed the disadvantage of inflation exposure, most private pension schemes are at least geared to retirement age salaries. Only the self-employed face the disaster of having to invest today's income at today's prices—and then see that investment provision wiped out by subsequent inflation. Not frequently is self-employment a matter of choice. In many professions it is an obligation. In many less privileged parts of the country, such as this, it is the only alternative to unemployment.

To many in the third nation one thing is patent: beyond any other group in the economy, the group at present privileged to enjoy index-linked pensions also contains those who preeminently are in a position to determine whether there will be inflation. The self-employed go to the bank to print money; the civil servant enjoys a handsome personal indemnity if he does. Inflation is also concerned with attitudes and propensities. Conquering it may require that no one be immune. Yours faithfully,
DAVID GREEN,
Rhyd-y-Bardd,
Castell Morris,
Haverfordwest,
Dyfed,
February 6.

The cost of dying
From the Dean of Exeter
Sir, There is really no need for the somewhat macabre remedies proposed by Mr Rhodes (February 4). The simplest, least disturbing remedy lies in the revival of the use of the shroud in which to be buried. Under this method the corpse lies upon what is essentially a wooden tray with an opaque material stretched over it, allowing the shape of the body to be seen but not its details. There is nothing offensive in this and it uses under half the amount of wood needed for a coffin.

It may seem an intrinsic virtue in being inured in a box when one is dead. To show that this is not mere pious theory, I have left instructions that I should be interred in a shroud. Yours faithfully,
RICHARD EYRE,
The Deanery,
Exeter,
February 5.

In vulgar parlance
From the Reverend D. G. Richards
Sir, Under Reverend in the Pocket Dictionary read "Deserving reverence by age, character or association." Vulg: Rev or the Rev Smith. And on page 8 today (February 7) there it is in last capitals: "The Reverend Maturin and Mr Melmoth".

"Should I be more annoyed at Mr Richard Holmes's constant error in his article, or be overjoyed that your leader referred to Mr Paisley, a man certainly not deserving of reverence by age, character or associations?" Yours faithfully,
DEREK RICHARDS,
The Rectory,
Barnouth,
Merioneth.

Puddings that may require excuses

The Times Cook



Shona Crawford Poole

If you are on a slimming diet read no further this week because the subject is puddings, fattening puddings, the kind of puddings many of us avoid most of the time. Dipping the garden is a good excuse for puddings like these. They are also fruity, filling, and easy.

Suet puddings of any description were always greeted with loud cries of "ah duff" when I was a child and I assumed it was one of those idiotic family traditions. However, the *Shorter Oxford Dictionary* knows all about duff being a flour pudding boiled in a bag. Cloths have given way to pudding basins now, thank goodness, and duff is the lighter for it.

Why Sussex pond pudding is attributed to that county is not clear. The pond is obvious as soon as you cut into the rich suet crust and find a whole lemon surrounded by buttery syrup which quickly makes a puddle if not exactly a pond. It is a fresh tasting pudding.

Serves four to six
225g (8oz) self raising flour
1 teaspoon salt
110g (4oz) shredded suet
About 120 ml (4 fl oz) iced water
110g (4oz) butter, diced

110g (4oz) Demerara sugar
1 large lemon
Sift the flour and salt into a bowl. Add the shredded suet and mix lightly with a fork to distribute it evenly. Make a well in the centre of the flour and add the water, a little at a time, to make a soft dough. You may not need all the water and a knife is the best instrument for the mixing. Knead the dough lightly on a floured surface until it is free of cracks and roll it out to a thickness of about 7mm (1/4 inch).

Cut a quarter segment from the dough and set it aside for the lid. Use the remaining dough to line a well buttered 900 ml (1 1/2 pints) pudding basin. Dampen the edges to be joined to make a seal.

Put half the diced butter in the bottom of the basin. Prick the lemon all over with a skewer and sit upright in the butter. Cover it with the sugar and remaining butter. Roll out the reserved dough for a lid. Dampen the edges and press it gently into place. Cover the basin with a layer of greaseproof paper and foil folded together with a 2.5 cm (1 inch) pleat and tied on tightly with string.

Stand the basin in a saucepan and pour in boiling water to come one third of the way up its sides. Cover the pan tightly and simmer the pudding for 3 1/2 hours. Top up the water level from time to time using boiling water and never allowing the water to go off the boil.

Rest the pudding for a moment or two before turning it on to a deep plate. Make sure each serving includes a slice of the lemon as well as a spoonful of syrup.

Serves four
450 g (1 lb) cooking apples, peeled, cored and sliced
85 g (3 oz) Demerara sugar
1 teaspoon finely grated orange or lemon zest

55 g (2 oz) softened butter
55 g (2 oz) caster sugar
85 g (3 oz) self-raising flour
1 large egg, beaten
A little milk

Butter a pie or soufflé dish of approximately 1 litre (1 1/2 pints) capacity and arrange the apple slices in the bottom. Sprinkle with the Demerara sugar and orange or lemon zest.

In a bowl cream the butter and add the caster sugar. Beat until the mixture is pale and fluffy. Beat in alternate spoons of sifted flour and egg until all of both have been incorporated. Stir in enough milk to make a mixture which will just drop from a spoon.

Spread the sponge mixture over the fruit. Bake the pudding in a preheated moderately hot oven (190°C/375°F, gas mark 5) for 35 to 45 minutes (depending on whether the dish is shallow or deep), or until the sponge is well risen and golden brown. Serve hot or warm with thin cream or top of the milk.

Compot creams
Serves six to eight
225 g (8 oz) dried fruit, apricots, peaches, pears and apples
85 g (3 oz) Demerara sugar
150 ml (1/2 pint) double cream
150 ml (1/2 pint) soured cream
1 teaspoon dried cinnamon
Cover the fruit with cold water

and leave it to soak for several hours or overnight. Put the fruit and its soaking water in a pan with the sugar and bring to the boil. Cover and simmer the fruit until it is tender. Drain the cooked fruit and return the liquid to the pan. Reduce the syrup by fast boiling to about two tablespoons. Cut the fruit into 1 cm (1/2 inch) cubes and pour the reduced syrup over it. Chill well.

Whip the double cream until it holds soft peaks. Fold in the soured cream, fruit, syrup and cinnamon. Mix well and chill thoroughly before serving with unfilled brandy snaps.



Prudence Glynn

Panting for the written word and not a Bible in sight

As pants the hart for cooling streams when heated in the chase, so pant I for the written word, literally and metaphorically. Since it may well be the second aspect of my malaise which will strike readers as the more bizarre, I suppose that I had best begin my confession at the end.

There is really very little need to explain the literal panting, since it refers to a condition I find to be rampant among bibliophiles. They can never find the book that they are looking for, and the more urgently they need to check that it really was Xenophon who said "get out of my sun", or what costume Gladys Cooper wore in *No, No, Nanette*, before the deadening haze of their heels the faster the io-and-exhalations.

There is a quite simple explanation why serious dedicated readers can never find the right book at the right moment (though always when they least require it) but I shall come onto that later, including the popping-up when unwanted bit, a great pant producer as you will see.

For the meantime I appear to be going to have to bare a lonely vice of mine so terrible that nobody else will admit to it, or has not yet done so in my presence.

I am addicted to the written word. Deprived of it I fidget, I twitch, I feel that my world is incomprehensible. I exhibit withdrawal symptoms, in short I find myself in dire straits. Rather, I should say, I find myself in dire straits, since to be perfectly honest this fearful situation has only occurred once to my memory. That, however, was quite enough for me, oh yes indeed.

The strait of which I speak was situated, appropriately, in a watery country, in Finland. On a one night visit and after a congenial supper, it was not until I retired to bath and bed that I discovered that I had nothing, absolutely nothing, to read. Do not mistake me. I do not mean to imply that I had forgotten to roll my portable *The Decline and Fall* in my nightie, or that I was having to make do with a newspaper other than *The Times*. I am not a picky reader and, if any fellow sufferers from Metaphorical Prose Pant syndrome are emboldened by my revelation to come out of the closet, it will be found that so great is our compulsion that we will read anything.

Our voracity knows no bounds, although in my case it does not extend to actually eating literature, a practice which proved fatal to Emperor Menelik II of Ethiopia who, accustomed to swallow a few pages of the Bible when not feeling too robust, expired in 1913 after consuming the entire *Book of Kings*. Serves him right for being such a snob. He should have dieted on some gloomy old bore like Jeremiah.

Come to think of it, why was there not a Bible in my hotel room, indeed why are they now so rare to find? This is a work which has always seemed to me the ideal general reading matter, offering as it does up-lifting fact or sensational fiction, according to your view; blood, guts, incest, philosophy, poetry and all sorts of snippets which would be banned in any other context. Many of these ("rubbish") are for hotel room life since they cover

almost any eventuality from destruction by fire to warning about painting your face and "tiring your hair and putting your head out of the window", a most unwise practice, if you are lodged near any of the main rail termini.

But in my Finnish hotel there was nothing save the fire regulations, and they were nailed to the back of the door, and when at six o'clock next morning I tottered to the window, I had to resign myself to an hour of trying to read the name of the shop opposite which was very long, very Finnish and parts of which were obscured erratically by storm-lashed trees. It was then that I knew I was hooked.

The literal panting is a habit shared by many, so now I can swim among friends again. Also it is far easier to describe. It follows that if you are a keen reader you are likely to have a lot of books around, and books are great believers in Parkinson's law; no matter how many bookcases you have, they are never enough. This problem, however, is as nothing to the complexities of arrangement of volumes upon those shelves. I am not of course talking about books for show purposes only (spiteful guests who suspect their hosts to be illiterate and to buy their books by the yard from their interior decorator, delight in lifting down an impressive volume of, say, Pliny, and ostentatiously blowing the dust off the top; even more fun is when the whole shelf comes away in your hand and reveals a cocktail cabinet).

Nor am I talking about coffee table books, whose very name dooms them to a life in a philistine lounge.

I am talking about books which belong to people who have bought them, or (well, scholars) can be vague borrowed them, quarried from them, and generally love them and use them, and care quite frantically about their exact location. You see it is virtually impossible to put together a library of a catholic and liberal nature which can be used by more than one person, because truly avid readers have individual reading patterns which defy neat labels comprehensible to others.

One of the symptoms of bibliomania is that one is always going to rearrange the books once and for all, so that everybody knows just where everything is. Another symptom is that one never ever gets done, despite moves of house ("all the paperbacks on the landing, darling") the arrival of the chimney sweep ("all the books in the drawing room will have to be put away, Madam") and redecoration of bits of wall which are actually supporting the books ("Just pile them on the floor, Stan, would you, then I can sort them out when I put them back.")

I will say any odds that they all go back just as they came out, a source of neat and well ordered joy to the neat and well ordered, and a source of hysterical searching to those whose logic is of a different metal.

I, for example, read on the cross-reference method, which means that I frequently have six books on the go at the same time because a phrase or a thought in one has roused off an idea supported by another. I also read in the bath, turn down page corners, and stick bits of paper with cryptic notes ("rubbish") scribbled on the top. These protrude, and even-

tually yellow and crumple and cause a lot of sighing and reproachful glances around the house.

Also, having a vivid visual memory, I can recall not only just where the book should be, but what colour it is and whereabouts on the page the bit I want comes. Once my non-system is upset I am lost, and what is much more a prey to that most self-indulgent vice, literary side-tracking. In search of *The Golden Bough* I once spent an entire day with *The Golden Notebook* my sole experience of the works of Miss Doris Lessing, I am glad to say.

In principle it all looks so simple. Paperbacks on the landing, hardback in size, colour, content or author. But it is not simple at all. What if you have half of a continuing saga, say, the Palliser novels, in hardback and half in paper? Are you to spend your life out there in the sure? Then all those traditional headings are so limiting. Poetry sounds all right, but what does one do about the appalling Burns who turns up everywhere without even the excuse of Queen Victoria and John Brown's tartan frolics which were yet to popularize Scotland. Then we run into history, biography, autobiography, gardening, self-improvement, dress, art, politics, best sellers and blockbusters. You have not forgotten about the categories of author and humour, have you?

May I suggest a totally new system of arrangement which will enable true readers to seize upon the very volume they need. My categories (I do not insist on gold leaf lettering on the mahogany) would start with masochism. Under this would be filed all books related to self-sufficiency, eating poisonous things out of the hedge, plays designed to be performed outdoors, outdoor cooking, gardening in any form. Then we have lies, in which you can feel a fair chunk of History. Biography. Autobiography with biography getting a cross reference under Toadies—you know, those ghastly snivelling books? Which you can feel the widow hovering over the writer's shoulder and suppressing all the naughty, ie interesting bits.

If you do not agree you could subsection it thus: Best Sellers and quasi-social blockbusters are invaluable and should be filed under Formula or Pot Boilers. All that is then necessary is to throw two or three up into the air, see where they fall open, and cobble them swiftly into your own quick money spinner.

I have books about self-improvement, which I file under Inferiority Complex Inducing. Why should some women be able to sail through the mumps, pause and hang up the pictures straight? These books also tend to have terribly silly titles, such as *Success without Tears*. What we want to know is how to be a dead failure without smudging the mascara.

The snag with Authors is that you can end up under Powell with Anthony next to Enoch, and when you are a reader who is captivated by useless information (always the best sort to have) you frequently cannot remember just who wrote it, his name being subservient to the thought.

As for Humour, we all know that there is only one shelf for that. It is marked Unintentional. Nor can Diaries pose a problem. You merely file them under Wishful Thinking, or Sneaks.

Successful orders

Seven years after the Community Service Scheme was introduced experimentally in six areas of Britain, most of those closest to it remain as enthusiastic about its effectiveness and possibilities as they were at the beginning. It is now available as a sentence for imprisonment for a breach of court in the country; 78 per cent of orders are successfully completed; 75 per cent of them are carried out by individuals without the necessity of direct supervision, thousands of people who are not in a position to pay for help have benefited from community service and it is far from unknown for a sentenced man to say on his community work on a voluntary basis after the completion of his order. But still only three per cent of eligible defendants are sentenced to community service.

Why? The second interesting question only exacerbates the first. Why has community service always enjoyed such a favourable press and public reaction? If people like the idea of offenders against society being compelled to repay their debts in a practical way and if the positive characteristics of this kind of sentence appear so obvious why is it not more frequently recommended by probation officers in their social inquiry reports and why do magistrates not use it more readily?

Part of the answer lies in the confusion which persists as to when it should be used. Section 14 of the Powers of Criminal Courts Act, 1973 (which introduced the Community Service Order for imprisonment offences committed by persons over 17, of 40-240 hours of unpaid work to be performed in the community within 12 months) is ambiguous about whether it is to be regarded as only appropriate where a defendant would go into custody if community service were not available or as a separate sentence in its own right.

Different commentators have taken opposing views but the facts are that magistrates generally seem to regard it as a sentence to be used even where a defendant would not be going immediately to prison. They would confine it to custody cases. In support of their view, the magistrates, who, at their annual meeting last October passed, with a substantial majority, a resolution calling for community service to be used as a sentence in its own right, can quote the provisions of the Act for a breach of a CSO which do not say that persistent or serious breach results in immediate imprisonment (as with a suspended sentence) but allows the offender to be treated in any way near his court at the time he received his CSO.

Probation officers, on the other hand, are inclined to say that the spirit of the legislation and the debate which surrounded it. On the whole they dislike ambiguity. Though nobody would claim that community service is the perfect sentence, there is now sufficient evidence that it generally works well and occasionally be a huge success to have given both magistrates and probation officers the confidence to put their faith in it more often.

In fact, community service has all kinds of advantages over prison. To put the most measurable and, perhaps, politically persuasive first, it costs a mere £420 per person per annum against prison's £7,800. And it is not altogether a "soft option". Defendants may see it as this when they first give their consent to being sentenced to it. But after sacrifice every Saturday for a year they may begin to wish they could have done two or three months "time" and got it over with.

It may not be "soft" but it is certainly a more positive disposal than custody. For a start, it avoids all the problems which an "accident" has to face when he leaves prison and

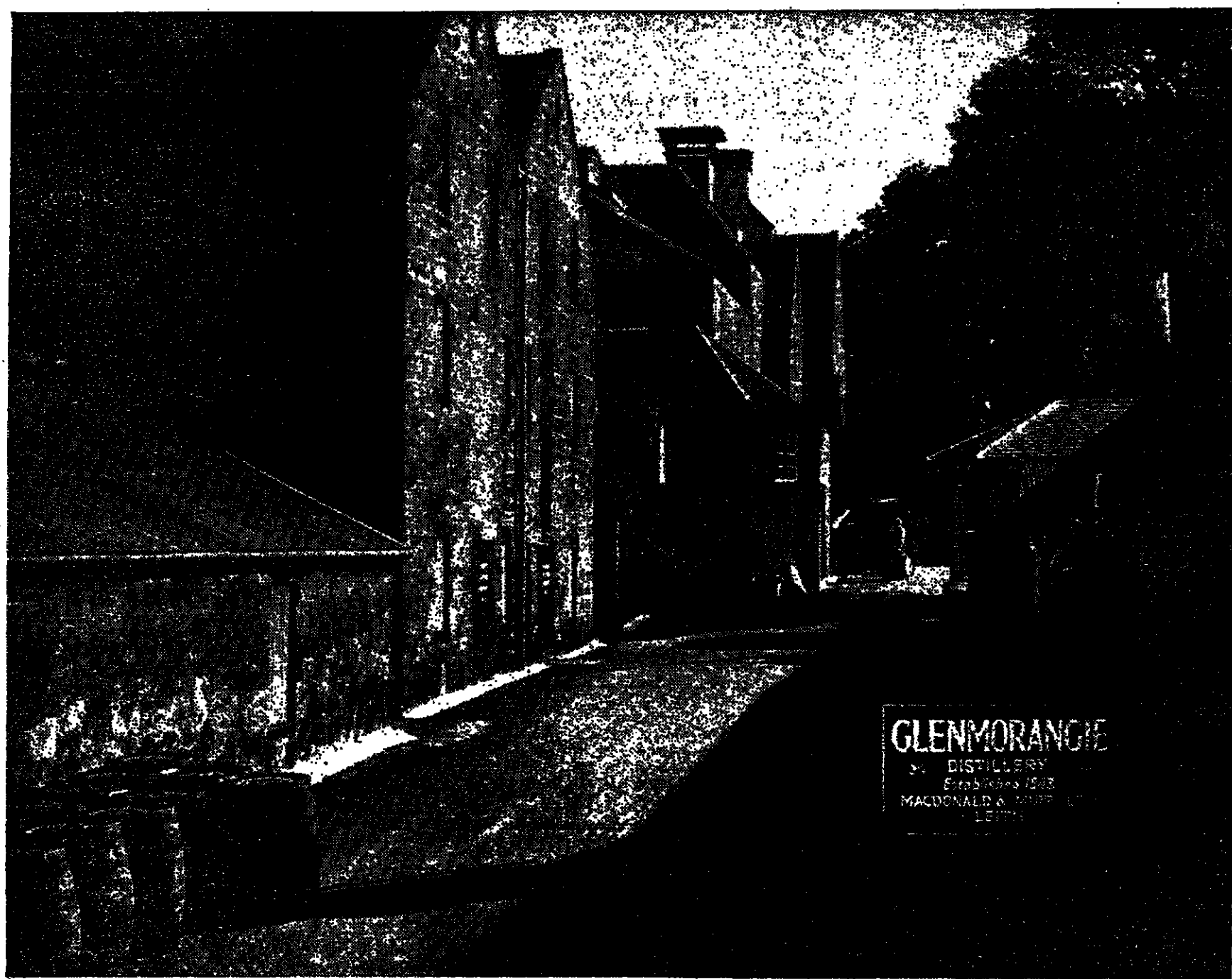
which can result in his offending again within a short period of time. Community service allows him to pursue his normal life with his family and with his job if he has one. It allows him an area of self-determination and requires of him a degree of commitment and responsibility from which if he is so motivated he can get some useful experience.

The average community service order is for 150 hours of unpaid work, either alongside people being paid or as part of a group of volunteers in, for instance, old people's homes or day centres, playgrounds or adventure playgrounds.

Over 50 per cent of CSOs are made for dishonesty; only just over 10 per cent for crimes of violence. The balance is almost entirely accounted for by motoring offences, mainly taking and driving away an unlicensed car. Over a third of people on community service have five or more previous convictions and 75 per cent are in the age range 17-24, though Moira Scott, who for two years was deputy community service organizer for North-west inner London, tells of one man of 71 with a long list of previous convictions who was very successfully placed to work in pre-school nursery where he became "Grandad" to the kids and where he stayed on as volunteer when his order had been completed.

Naturally, community service does not always work out. But only 22 per cent of orders are not completed. Over a third are failures to dishonour; only just over 10 per cent are failures to complete. This is a record which compares very well with probation. Community service is a punishment, it is retribution and it can rehabilitate and, as Moira Scott says, "Prison can be permanently damaging and disturbing experience and it does no good to society as a whole. As far as I know, nobody was ever damaged by community service."

Jane Moonma



This is where the world's finest single malt comes from.

No single malt whisky is more respected than Glenmorangie. Produced since 1738 in a distillery overlooking the Dornoch Firth, it remains today what it has always been.

Virtually unrivalled for taste. And, hardly surprisingly, in somewhat limited supply.

Since 1894, however, the subtle pleasures of Glenmorangie have been available on a more generous scale.

It is to be found in a blended whisky called Highland Queen.

Produced very slowly, using time-honoured, not to say old-fashioned methods, Highland Queen contains a very high proportion of malt whisky.

It is, in short, to ordinary blends what Glenmorangie is to ordinary single malts.



مكتبة من الأصل

THE TIMES

BUSINESS NEWS

LAING
make ideas take shape

The road to closure at Linwood, page 21

Stock markets
FT Ind 496.1 up 0.5
FT Gilt 69.10 up 0.1

Sterling
\$2.375 up 7 points
Index 104.2 unchanged

Dollar
Index 99.4 unchanged
DM 2.1477 down 30 pts

Gold
\$500.39 down 514

Money
3-month sterling 17.13
3-month Euro 5.17-17.1
6-month Euro 5.17-17.1

IN BRIEF

Bank union opposes windfall tax

The Banking Insurance and Finance Union (BIFU) yesterday added its weight to the opposition of the proposed windfall tax on bank profits. A union executive meeting confirmed rejection of an S.50 cent pay offer from the banks and decided to consult members about possible industrial action in pursuit of a higher award.

The executive passed a resolution condemning proposals for windfall tax. It was unfair, it said, to impose a tax on banks when they were not the cause of the problem. The tax was linked, in the minds of the union leaders, with the issue of bank profits. They see the windfall tax as providing an additional incentive to the banks to stand firm on their single-figure pay offer.



Mr Deryk Vander Weyer, President of the Institute of Bankers and vice chairman of Barclays Bank, who yesterday rejected proposals for a special tax on clearing banks profits, speaking in Birmingham he said there was no logic in the tax. "Profits are now on a relatively declining trend and are barely providing for our capital needs," he said.

Treasury stock

The Government's latest 1,000m offering of gilt edged stock received only a lukewarm response from investors yesterday. Applications for the treasury 12 per cent 1986 stock were thought to have been relatively modest. All applications were allotted in full at the minimum tender price of 96 per cent.

Changes 'unnecessary'

Mr John Biffen, Secretary of State for Trade, told the House of Commons yesterday that the new regulations for the takeover of companies by outsiders last night were not necessary and that the existing rules were adequate. A very recent proposal to regulate the takeover of companies by outsiders must be an example of his, he said.

Woolworth pay deal

Woolworth has agreed pay rises of up to 6.80 a week for 11 grades of its retail staff, after negotiations with the Union of Shop, Distributive and Allied Workers.

Saudi devaluation

The Saudi Arabian riyal has been devalued to 3.34 to the dollar from 3.33.

Wall St lower

The Dow Jones industrial average closed at 942.49, down 1.14 on Wall Street yesterday. The \$=SDR exchange rate was 1.23623 while the £=SDR rate was 0.529435.

State loses £3,500 a year in tax and benefits for every worker without a job

By Frances Williams

Unemployment costs the Government nearly £3,500 a year lost tax revenues and extra social security benefits for every worker put out of a job.

A rise of 100,000 in the number of people out of work adds £340m a year to government borrowing, official estimates show.

This suggests that the 900,000 rise in unemployment over the past 12 months could be costing the Exchequer nearly £3,500m—equivalent to more than half the £4,000m of £25,000m overshoot on the public sector borrowing requirement expected this year.

These costs, published yesterday in the Treasury's latest *Economic Progress Report*, take into account lost tax and national insurance contributions, additional social security benefits and the extra administrative expenses of dealing with larger numbers of unemployed. But they do not include other costs such as the state Redundancy Fund payments (£242m in 1980), loss of indirect taxes because of reduced purchasing power, or the expansion of special employment schemes (costing £850m in 1980).

The total direct and indirect cost to the government of higher unemployment is likely to be substantially greater than

DIRECT COSTS TO EXCHEQUER OF AN INCREASE OF 100,000 REGISTERED UNEMPLOYMENT (EXCLUDING SCHOOL-LEAVERS) IN 1980-81

	£m
Current receipts	
Income tax	115
National insurance contributions	75
National insurance surcharge	15
Total current receipts	205
Current expenditure	
National insurance benefits (including earnings related supplement)	65
Other social security benefits	55
Rent and rate rebates	5
Administrative costs	135
Total current expenditure	340
Exchequer cost (at 1980-81 output prices)	135

The Treasury figure—perhaps as much as £500m for every 100,000 joining the unemployment register—equivalent to £3,500m for each worker.

The Treasury estimates that, of the £340m cost resulting from an extra 100,000 unemployed, lost tax revenues account for £205m (60 per cent) and additional social security benefits and administrative costs for £135m (40 per cent).

Last November the Treasury put the cost to the Exchequer of an unemployed married man with two children on average earnings at £5,000 and the cost of an unemployed single man at £5,250 a year.

The lower figure of £3,500 suggested from yesterday's figures reflects the fact that the

unemployment total includes unskilled and women workers who may earn less or be entitled to claim less in benefits, and who thus cost the Government less if they lose their jobs.

Another article in *Economic Progress Report* estimates that output in 1980-81 will turn out to be 4 per cent lower than in the previous year, twice the drop expected at the time of the last Budget.

This lost output will have added between £2,000m and £4,000m to public sector borrowing in the year. The expected extra fall accounts for about half the total, in line with the Chancellor's £1,500m estimate in his mini-budget on November 24.

Sugarbeet factories 'might have to close'

By Hugh Clayton
Agricultural Correspondent

A warning that some of the 12 British sugarbeet factories might have to close was given yesterday by Mr Peter Walker, Minister of Agriculture, Fisheries and Food.

Mr Walker interrupted a meeting of EEC fisheries ministers in Brussels to return to London for a meeting with 12 Conservative and Labour MPs with constituencies in north-west England about the threatened closure of the Tate & Lyle cane refinery in Liverpool.

Mr Walker then had a brief meeting with Sir Gerald Thorley, chairman of the British Sugar Corporation, and Mr John Beckett, chief executive. Mr Walker would not comment directly about the chances of keeping the Liverpool refinery open and of preserving more than 1,000 jobs there. "I have discussed with both companies if they will investigate what they can do as far as exports are concerned," he said. "It is not a question of the quotas for sugarbeet, but of the declining consumption of sugar in this country."

He wants Tate & Lyle, which refines all cane entering Britain, and the British Sugar Corporation, which processes all home-grown beet, to consider a joint venture to export refined cane and beet sugar for which there is no market in Britain.

Mr Walker said the programme of expanding domestic sugar production adopted by the Labour Government in the mid-1970s was no longer valid because of falling consumption. He had therefore offered to cut the EEC beet quota for Britain by 200,000 tonnes to 1.15 million tonnes if other countries accepted similar cuts.

His forecast on what sugar consumption would be was "not a party point."



Sir Gerald Thorley: asked to investigate sugar export venture

British consumption of sugar has dropped from 2.7 million tonnes to 2.3 million tonnes in the past five years, while production of glucose and isoglucose has increased.

British supplies consist of about 180,000 tonnes of cane, 180,000 tonnes of refined EEC beet, mostly from Denmark, and 1.1 million tonnes from beet grown in England and refined by the corporation.

Sir Gerald and Mr Beckett would not comment on the offer to cut the ministry yesterday. Mr Robert Parry, Labour MP for Liverpool, Scotland Exchange, said after leading the delegation of MPs: "He agreed with me that the British Sugar Corporation will not export."

Mr Parry, whose constituency includes the Tate & Lyle refinery said it would be unfair to expect cane refinery workers to accept more job losses.

More than 1,000 jobs had been lost in the industry in the Tate & Lyle closure programme over the past four years and Mr Parry said the industry was now facing an exceptionally high unemployment rate.

If beet factories closed they would affect country towns with relatively low rates of unemployment. Mr James Dunn, Labour MP for Liverpool, Kirkdale, said he thought Mr Walker would not make concessions. "He probably cannot. What Tate & Lyle does is to transfer capacity from Liverpool to London," he added.

Government offers British Steel £1,500m of emergency borrowing

By Peter Hill
Industrial Editor

New emergency borrowing facilities for the British Steel Corporation, increasing the ceiling of £3,500m by £1,500m have been introduced by the Government.

The move reflects the continuing cash haemorrhage at BSC, which is losing close on £2m a day, and the need for it to secure further borrowing before the end of the present financial year in six weeks time.

Yesterday's announcement by Mr Norman Tebbit, Minister of State at the Department of Industry, provided a further dramatic illustration of the parlous state of the Corporation's finances. British Steel is already pressing close against the present ceiling and would have exceeded it within the next three weeks. The new borrowing powers Bill is seen as a prudent interim precautionary measure.

Initially the Bill will provide for the existing ceiling to be lifted by £500m to £4,000m and Sir Keith Joseph, the Industry Secretary will have power to lift it still further to £7,000m by order.

Originally the Government had hoped that it would be able to make its long-awaited statement this week on the survival plan for BSC submitted by Mr Ian MacGregor, the corporation chairman. The plan will involve the provision of at least £750m from the taxpayer for the coming financial year, as well as writing off a large

amount of the £3,500m of public dividend capital.

Although the Cabinet has approved the survival plan in principle, there are several major aspects which have still to be resolved.

Progress has been slow in negotiations between the BSC and a number of private sector steelmakers on rationalizing areas of overlap by forming joint venture companies.

The Government is also faced with growing pressure from the private steelmakers, from its own backbenchers and from other EEC states to control the level of funds committed to BSC. This year British Steel has received almost £1,000m of government funds—more than double the original external financing limit—that will certainly be boosted further before the end of the financial year.

There has been growing criticism from private sector steelmakers of the aggressive marketing tactics being deployed by BSC in a desperate attempt to boost sales and plant loading levels through pricecutting and heavy discounting.

The frustration of the private sector was reflected in a petition by a delegation of workers from the Duport company's plant in Wales delivered to 10 Downing Street yesterday, calling for a halt to unfair competition from the corporation.

Among Tory backbenchers, similar fears are being expressed. Mr Michael Goylls,

MP, chairman of the party's industry committee said last night: "There is a very strong feeling that firm and very watertight guarantees must be given by the Government that extra funds for the BSC must not be used as an operating subsidy. We will seek amendments if necessary, if assurances are not forthcoming."

Replying to questions after his statement on the new borrowing powers yesterday in the Commons, Mr Tebbit sought to allay those fears. "It is our intention that the BSC should not use funds to destroy the British independent sector of the industry," he said.

Ministers recognize that the provision of further substantial funds for British Steel is likely to provide a source of controversy within the EEC. The West German Government yesterday made it clear that, in forthcoming talks in Brussels, it would be seeking to persuade the EEC to invoke existing legal instruments to dismantle the panoply of state subsidies for steel throughout the Community.

Meanwhile, the Corporation continues to push ahead with its sales drive, claiming that orders for its strip mill operations were running at their highest levels for nearly eight years. Over the next six weeks, more than 180,000 tonnes of strip steel is scheduled to be shipped to Germany and other EEC countries, with other shipments destined for the Soviet Union and Yugoslavia.

Employment department £233m overspent

By David Felton
Labour Reporter

The Government has overspent this year by £233m on employment and related schemes, primarily because the Department of Employment underestimated the level of unemployment by 900,000.

This was revealed to a Commons Committee last night by department officials, who were answering MPs' question on requests for supplementary estimates. MPs doubted the department's ability to forecast accurately future levels of unemployment.

The main item of overspending was in the Temporary Short time Working Compensation scheme, which encourages employers to adopt short time working rather than redundancies. The scheme's original budget of £39.9m was overspent by just over £200m.

The committee heard that the estimates for the short time working scheme were drawn up in the autumn of 1979, were based on a projected average unemployment level for 1980-81 of 1.6 million compared with the present level of almost 2.5 million.

Mr John Gort (Barnet, Hendon North, C), pointed out that the department still appeared to be working on the basis of the 1971-72 estimate of unemployment, which was 1.1 million, compared with the present level of almost 2.5 million.

Mr Harold Alvarez, who is working on the basis of the Government's projection for unemployment in the next 12 months of 2.3 million, which had already been exceeded.

The Commons Select Committee on Employment was also told by Mr Geoffrey Holland, director of special programmes at the Manpower Services Commission, that at least 290,000 new school leavers are expected to be jobless by this autumn.

The committee heard that the estimates for the short time working scheme were drawn up in the autumn of 1979, were based on a projected average unemployment level for 1980-81 of 1.6 million compared with the present level of almost 2.5 million.

Mr John Gort (Barnet, Hendon North, C), pointed out that the department still appeared to be working on the basis of the 1971-72 estimate of unemployment, which was 1.1 million, compared with the present level of almost 2.5 million.

Mr Harold Alvarez, who is working on the basis of the Government's projection for unemployment in the next 12 months of 2.3 million, which had already been exceeded.

The committee heard that the estimates for the short time working scheme were drawn up in the autumn of 1979, were based on a projected average unemployment level for 1980-81 of 1.6 million compared with the present level of almost 2.5 million.

Mr John Gort (Barnet, Hendon North, C), pointed out that the department still appeared to be working on the basis of the 1971-72 estimate of unemployment, which was 1.1 million, compared with the present level of almost 2.5 million.

Mr Harold Alvarez, who is working on the basis of the Government's projection for unemployment in the next 12 months of 2.3 million, which had already been exceeded.

He wanted assurances that similar errors would not take place in the future.

A paper from the department said that the only previous experience of such a scheme was in the textile, clothing and footwear industries. Forecasting was "extremely difficult", and in the first year, 1979/80, the projected expenditure was £33.5m compared with the eventual outcome of £23.5m.

When this year's estimates were drawn up, the pattern of short time working in previous recessions was taken into account, but the forecast still had to be "somewhat rough and ready".

There have been a number of included £18.8m on the National Coal Labour Scheme, £9.4m for pneumoconiosis payments and £4m on the Small Firms Employment Subsidy.

Community service, page 20

Share deal rules tightened

By Michael Frost

New regulations were introduced by the Stock Exchange yesterday in an attempt to control dealings in foreign minerals exploration companies.

The new regulations "invite foreign companies whose shares are dealt under Rule 163 (1) (a) to agree before dealings start on the release of price sensitive information simultaneously in Britain and in exchanges on which the share is quoted. If British investors are "disadvantaged" the council reserves the right to ban dealings.

The council says it has been concerned that some companies have issued shares in Britain without simultaneous issues in their country of incorporation. Rule 163 (1) (a) allows Stock Exchange members to deal in shares which are neither fully listed nor quoted on the United Securities Market.

But if this is seen as a tightening up, the council is liberalizing the regulation governing British companies planning to raise money abroad, although unquoted in London.

These companies will be required to provide information to the Stock Exchange as though they were fully listed. But the council warns investors that the same degree of public disclosure is not demanded of unlisted companies.

Capel-Cure acquires specialist brokers

By Philip Robinson

Stockbroker Capel-Cure Myers formed by the merger of four firms in 1974, announced yesterday it is to take on the small private client specialist brokers, Bendon Langner.

The two were introduced by a third party before Christmas after CCM was asked if it would be interested in a merger with Bendon. Once complete, before the financial year of both firms ends in April, the Bendon Langner name will disappear.

Bendon Langner was itself formed out of a stockbroking merger in 1971. At that time A. Bendon Co had been in existence 80 years and Levy Langner for 50.

There is still discussion on just how many staff CCM will incorporate. Capel's say that the firm will employ about 20 "business getters" of a total staff of 30. Bendon's total staff, including partners is 40.

Mr Richard Nead, Bendon's senior dealing partner, said: "We don't know how many people will be joining Capel's at the moment. But the redundancy bill will be minimal as we expect the majority of the staff to go over with us."

Bendon employ a number of half-commission salesman —

those who split commission on deals with their own firm. They will not join CCM in that capacity. Mr Andrew Hugh Smith, Capel's senior partner, said: "That's just not our style."

Mr Nead, Mr Kenneth Levy and Mr Geoffrey Menger, from Bendon will join Capel's partnership. Mr Raymond Field, Mr Sidney Levy, Mr Anthony Klaur, Mr Richard King and Mr Martin Levy will become associate members of Capel.

Mr Ronald Cohen and Mr Harold Alvarez will be taken on in a consultative capacity which, by agreement, is unlikely to be for more than a year.

Mr Clément Picot, Bendon's former senior partner, will retire and Mr Peter Maxwell intends to emigrate to Australia.

Mr Nead said: "I don't think it matters who approached who. There have been a number of changes in stockbroking in the 1970s and we think there will be more in the 1980s. You either have to get larger or smaller, its going to be difficult to survive as a medium sized firm to offer the services that one is going to have to."

Financial Editor, page 21

Ulster property group acquires Strongmead in reverse takeover Slater story opens a new chapter in the City

Mr James Slater, the financier and latter day writer of children's books, took a further step yesterday towards an eventual return to the quoted company sector.

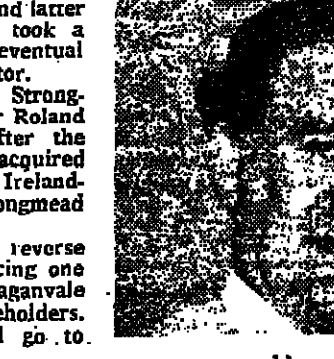
His private property company, Strongmead, set up with the help of Mr Roland "Tiny" Rowland of Lohrro after the Slater Walker collapse, is to be acquired by Laganvale Estate, the Northern Ireland-based property group in which Strongmead has a 14 per cent stake.

The deal, which is in effect a reverse takeover, entails Strongmead placing one million of its 1.46 million Laganvale shares at 30p each with its shareholders. The balance of the shares will go to Strongmead's associates.

After this transaction Strongmead's net assets will be worth £1.4m, of which half will be in cash or near cash and the remainder will be invested in a good residential property.

The plan is that Laganvale will then acquire Strongmead on a net assets basis by April 30, after Strongmead's net worth has been certified by Laganvale's reporting accountants.

Laganvale will be issuing not more than 4.6 million shares to meet the business, a total consideration of £1.4m which in turn will take Strongmead and its associates with around 40 per cent holding. As this is



Mr Slater: on his way back to the quoted company sector.

well beyond the Takeover Panel's trigger point of 30 per cent for a full bid, permission is being sought to waive Rule 34. The Panel yesterday confirmed that in these circumstances permission would be no-problem.

According to Laganvale's announcement, the deal which has been rumoured for some time in the City will help to reduce its potential borrowings from the £1.4m they would have reached after Laganvale's recent purchase of a Brighton property,

Mitre House, for £1.47m. It is also planning to buy a sub-lease in its shopping centre for £370,000. On top of that, Laganvale said the move will add a good quality residential property to its growing portfolio.

But interest in Laganvale shares in the stock market yesterday was certainly not on account of the group's properties; the 31p price rise to 35p was put down to Mr Slater's presence and his role in Laganvale's affairs.

Mr Slater first emerged as a shareholder in Laganvale, a previously obscure company, involved in "flat break-up" operation in the early 1970s, last year when he disclosed that he held 12.5 per cent after months of rumours about his involvement. After a rights issue to finance the Brighton purchase, Mr Slater's holding with Strongmead was up to 13.3 per cent. But he did not receive a dividend from his investment.

Laganvale's pretax profits in the first half were £34,000, compared with the previous year's losses of £12,250. Although the forecast was for still higher profits in the second half, there was no dividend and there will be no full payment either.

Rosemary Unsworth

Stone-Platt sells its propeller business

By Peter Wilson-Smith

Stone-Platt Industries, the Lancashire textile machinery and engineering group, is selling its marine propeller business for an undisclosed sum.

This is the latest of a number of disposals to cut the group's overdraft after it was rescued by its bankers last April.

Last November the group sold its profitable pump division for £11.5m to Indian Head, an American company. This together with other smaller sales reduced borrowings by £14m.

Mr Robin Tavenor, chief executive, said: "We do not plan to make any more major disposals or closures."

Besides selling the marine business, Stone-Platt is rationalizing other activities in the marine and mechanical division, which include a number of foundry companies. Mr Tavenor said the group had been making a sufficient return on capital and the sale would not have much impact on group profits because of interest savings on the cash released.

The propeller business is being sold in two parts with the controllable-pitch side going to Vickers. Vacuum Investments, controlled by Mr John Langham until recently chair-

man of Stone-Platt's marine and mechanical division, is buying the fixed-pitch propeller business.

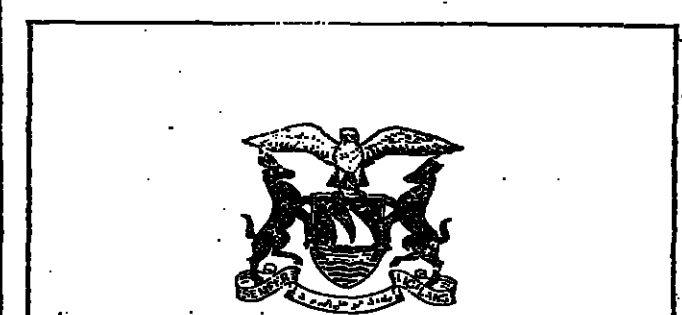
The prices paid will be related to net asset values at end-1979. Mr Tavenor said the book value of the assets being sold or disposed of was about £6m. However, he said there would probably be a small writedown on the sale. Although the deals have nearly been finalized they are still subject to contract, which is why the price has not been disclosed.

The foundry operations in the marine and mechanical division will mostly be merged with Stone-Platt's electrical division although the reorganization may involve a small closure and some redundancies. The marine and mechanical division had total sales of £41m in 1979 and a loss (pre-interest) of £100,000.

The latest measures will leave Stone-Platt free to concentrate on its traditional textile machinery business and its electrical division.

The group's major problems have been in its textile machinery operations in the United Kingdom. In 1979 the group tumbled from pre-tax profits of £9.5m to losses of £2.9m. In the first half of 1980 it lost £2.5m but forecast a profit in the second half. Yesterday the shares firmed 11p to 25p.

Financial Editor, page 21



Profits up a third in 1980

The National Bank of Dubai announce a 33.6% increase in profits after providing for doubtful debts and a transfer to inner reserves.

Profits	1980	1979
U.A.E. Dirhams	80.3 Million	60.1 Million
	(£9.4 Million)	(£7.0 Million)

In November 1980 the Bank capitalised part of its inner reserves by the issue of one fully paid bonus share for each share held. A dividend of 20% is now proposed on the increased share capital.

After the capitalisation of inner reserves and the proposed dividend payment published shareholders funds have been increased by 81%.

Shareholders Funds	1980	1979
U.A.E. Dirhams	361.0 Million	199.4 Million
	(£42.1 Million)	(£23.3 Million)

*U.A.E. Dirhams 8.57

The National Bank of Dubai Ltd., incorporated in 1963 by Charter of H.H. The Ruler. P.O. Box 777, Dubai, U.A.E. Telephone: 221941 Telex: 45421

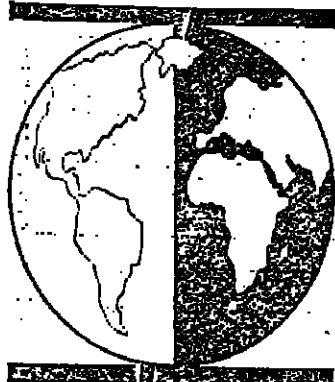
PRICE CHANGES

Rises		
Arco's	10p to 363p	
Barclays	7p to 495p	
Bank of Life	7p to 52p	
Bank of China	2.87 to 76p	
Bank of India	35p to 37p	

Falls		
Anglo Am Corp	15p to 54p	
Anglo Am Corp	15p to 27p	
Anglo Am Corp	15p to 37p	
Anglo Am Corp	15p to 42p	
Anglo Am Corp	13p to 14p	

THE POUND			
Bank	Bank	Bank	Bank
buys	sells	buys	sells
Australia S	2.06	1.98	
Austria	37.20	35.90	
Belgium Fr	37.25	35.75	
Canada S	2.87	2.78	
Denmark Kr	15.00	14.00	
Finland Mk	8.53	9.38	
France Fr	11.90	11.40	
Germany DM	5.21	4.97	
Greece Dr	119.00	113.00	
Hongkong S	12.70	12.10	
India Ru	1.33	1.23	
Japan Yn	250.00	239.00	
Netherlands Gld	5.63	476.00	
	5.37		
Norway Kr	13.15		
Portugal Esc	134.50		
South Africa Rd	7.20		
Spain Ps	203.00		
Sweden Kr	11.19		
Switzerland Fr	4.73		
	5.23		
Yugoslavia Dnr	82.00		

Rates for small denomination bank notes only, as supplied yesterday by Barclays Bank International Ltd. Different rates apply to travellers' cheques and other foreign currency business.



Iran shuns American bank loans

Iran will produce and export enough oil this year to avoid borrowing on international money markets, Mr Ali Reza Nobari, the Iranian central bank governor, said yesterday.

Mr Nobari, in London for talks with American bankers about financial claims outstanding since the Tehran-Washington agreement that freed the 52 American hostages last month, put no figure on Iran's oil production targets.

Because of Iran's war with Iraq, the country's oil output is thought by Tehran diplomats to be 700,000 barrels a day compared to a possible 2 million barrels should the conflict end.

Mr Nobari said that Iran's oil output would obviate any recourse to world money markets and added: "If we do borrow, it won't be through United States banks."

Foreign deposits recall

China's government has given Chinese companies and organizations until the end of February to bring home unauthorized foreign currency deposits abroad or face confiscation of the funds.

Austrian economy

The Austrian economy is expected to level off this year after a rapid expansion during the previous two years according to the Organization for Economic Cooperation and Development (OECD). But Austria's inflation and unemployment rates are still likely to remain among the OECD's lowest.

Gold output up

Chinese gold production rose 14.3 per cent to a record level last year, the official New China News Agency reports.

Dutch spending plan

The Dutch Government is planning a sharp reduction in public sector spending growth from 1981 to 1985, because of lower than expected economic growth.

Japanese imports

Herr Otto Lambsdorff (above), West Germany's economics minister, has said he intends to use every opportunity to oppose growing pressure from European trade unions and industry for restrictions on Japanese imports. He said the Japanese challenge "provides a chance for us to make an effort to improve our competitiveness".

\$14.6m bus plant

Hino Motors, one of Japan's largest heavy-duty truck makers, will build a \$14.6m (about £6.2m) bus assembly plant in New York State within a few years, the *Nihon Keizai Shimbun* reported. Agreement has also been reached to deliver several hundred buses to New York City by the end of the year.

Belgian pay talks

Belgium's Employer's Federation has agreed to meet union and government representatives for talks on a voluntary wage limitation agreement in the absence of which a mandatory ban would be imposed by the government.

German turnover slips

West German wholesale trade turnover fell a real 2 per cent in 1980 although the nominal total rose by about 6 per cent to DM 630,000m (£127,270m). Retail sales volume was unchanged in December over December, 1979.

Italian railway funds

The Italian state railway is to offer a \$300m (£15.5m) syndicated loan and floating rate note issue on the Euro-dollar market managed by Societe S. G. Warburg, according to the transport ministry.

Finland oil price rise

Finland will pay about \$38.5 a barrel for Soviet crude oil after a rise of about \$4 was agreed in Moscow. Finland is to import some 7 million tonnes of Soviet crude this year under a bilateral trade agreement.

Malaysian aid cutback

Britain is to reduce its technical assistance to Malaysia from next year. Sir Donald Hawley, the outgoing British High Commissioner, said in Kuala Lumpur. The Government had taken the decision because Malaysia was near to becoming a "developed country".

Enthusiasts on two wheels are driving themselves out of business

Motorcycle boom bypasses dealers

While Britain has been enjoying an upsurge of interest in motorcycling in the past few years, the country's 2,500 motorcycle dealers apparently have shown a remarkable inability to capitalize on the boom. Sales are soaring, but profits have tumbled and there is now a danger that many dealers will be forced out of business.

A new report by ICC Business Ratios, published today concludes that for most dealers the past three years has been "an unending picture of falling profitability, increased stocks, declining return on capital and generally poor asset utilization".

The trouble, it seems, is that most dealers, like their customers, are enthusiasts rather than "hard-nosed" businessmen. Motorcycle salesmen must stop regarding their activity as a hobby, says the report, "and must take a serious look at the way their business is run. Dealers have managed to survive on water-tight margins by astute financial planning and clever marketing".

Last year was the best for motorcycle sales in Britain since 1959 and there are now an estimated 1.4 million two-wheelers on the roads, an increase of 11 per cent since 1976. According to the report, the 50 leading high street sales companies increased turnover by 12 per cent in 1978 and 17 per cent in 1979, and one achieved

annual sales approaching £3m. But few, says the report, have been able to "make a silk purse out of a sow's ear". It adds: "Indeed, if the performance of the country's top motorcycle-outlets is any indication of trading patterns in the future, then over the next year or so a significant number of firms could find they are driving themselves out of business unless they take some swift action now to correct an already well established pattern of financial trends".

In the past two or three years, many companies' profit margins have been halved. Only one, it is said, now has a margin in double figures and about 12 are operating on negative margins. In the three years to October, 1979, the average profitability of the 60 leading firms in the survey fell from 18.8 per cent to 8.5 per cent, while total sales rose by 44 per cent.

The signs of declining profitability were apparent in 1977 and 1978, ICC says, but few companies took corrective action. "It remains to be seen if firms have taken advantage of the upturn in sales to put their houses in order: it would be reasonable to expect, at least on their past performance, that they have not and are prepared to live with margins as low as 1 per cent."

The report lays emphasis on the rapid growth in dealers' stocks and debtors compared to sales. The average stock

turnover figure fell from 4.7 to 4.1 times per year while the average debt collection period nearly doubled from 15 to 29 days. With interest rates so high these are crucial areas of management control and together they go a long way to explaining the industry's declining performance."

One result has been a drop in the number of sales outlets. Last October there were an estimated 2,402 United Kingdom dealers, many of them one-man concerns or corner shops, compared with about 3,000 in the past. The small operators, says the report, "are probably content to exist with modest living since their enthusiasm for motorcycles and motorcycling often outweighs their enthusiasm for making money".

Most of the industry's business now is concerned with the sale of new and second-hand imported machines after the invasion of the United Kingdom market by the Japanese. The decline of the British manufacturing industry, says the report, is "as legendary as the dissolution of the monasteries", and as a result most dealers are in the hands of overseas suppliers "with all the implications this can have for the high street trader".

Motor Cycle Dealers (2nd Edition) ICC Business Ratios, 81 City Road, London, E80.

Edward Townsend



Photograph by David Jones

Mr Walter Goldsmith, left, director general of the Institute of Directors, presents The Times Grand Prix award in London yesterday to Mr Anthony Hill, a director of Unilever, watched by Mr Alan Watson and

Mr Robin Morton, of Charles Barker CBC, Unilever's advertising agency which shares in the award. The companies won the Grand Prix for the best advertisements of company results in 1980.

Inmos to launch latest microchip design

By Bill Johnston

Inmos, the microchip company whose majority shareholding is held by the National Enterprise Board (NEB) is to make its latest product debut next Wednesday in New York.

The British company, backed by a government investment

of £50m, will unveil details of its latest product to several thousand delegates from dozens of countries involved in microelectronics at the International Solid State Conference.

The new design is called a 64K dynamic RAM, a chip with over 64,000 memory cells for

use in computers. It has the added advantage of having cells which can be made to replace others that become inoperative. The new chip is an important development for Inmos. The company's projections for all its products suggest sales of £150m in 1984, growing to £200m a year later.

New Saudi five-year plan could favour UK exports

By Derek Harris

Commercial Editor

Saudi Arabia's just launched third five-year plan, worth about £100,000m, is because of its emphasis on industrialization of the country, likely to favour British efforts to export compared with earlier plans with a stress on infrastructure construction. Low labour cost countries such as South Korea have mopped up many important construction contracts.

This was one of the key points which emerged from a seminar on Saudi Arabia's new plan organized by the Confederation of British Industry in London yesterday and attended by about 400 leading businessmen.

They heard a warning from Mr Cecil Parkinson, Minister of Trade, that because the trend in Saudi Arabia was towards local manufacture to stay in the market British companies would have to be more willing to enter joint manufacturing ventures.

Anybody who saw the country solely as a market for direct trade could eventually lose business to competitors more willing to involve themselves in Saudi Arabia's industrial ambitions, Mr Parkinson said.

The thrust towards joint ventures was underlined by Dr Faisal Al Bashir, Saudi Arabia's deputy minister of planning, who said that British companies would have to be prepared to share technology and managerial and technical skills. There would be more help for the private sector in Saudi Arabia, including the provision of long-term interest-free loans, he said.

A study of the plan by the Committee for Middle East Trade (Comet), showed that imports should continue to grow during the period by a real annual rate of 7 per cent, which though slower than in the previous plan was at a faster rate than had been expected. What could benefit British exporters was more emphasis on productive industries such as manufacturing and mining and agriculture.

One additional source of stimulus for increasing local ownership of businesses and funding investment in the production sector could be development of a stock exchange, now under consideration by the Saudi Arabian Government.

The Third Saudi Arabian Development Plan, 1980-85: Committee for Middle East Trade, £5.

Society offers homes aid

By Sylvia Morris

The one million members of the Provident Building Society have something to turn for advice if or when they are made redundant. The society, the ninth largest in the country, yesterday announced a series of measures to help the unemployed.

As part of the package, managers at the 200 branches throughout the country will advise those facing unemployment on what to do about their mortgages.

Solutions include suspending payment for up to one year, or reducing the monthly costs by extending the term of the mortgage or switching to an "option mortgage" if this proves more suitable.

Borrowers will be advised as to whether to pay off their mortgage with any redundancy payment or savings.

"We have to recognize that mortgage repayments, especially for those who have only just bought their homes, may be difficult or even impossible to keep going when a borrower is made redundant", Mr Brian Holmes, chief general manager of the society, said yesterday.

"The main purpose of a building society is to help people buy and to keep their own homes. We recognize that jobs become redundant, not people, so our role does not change." Branch managers also will issue information sheets giving advice on the amount of redundancy pay people can expect, tax problems and how to manage their finances, including

mortgage payments and savings problems.

When it comes to investing a lump sum, building societies have an obvious role, but the society points out that it will not necessarily be the right answer for those who do not pay tax.

Provisional hopes that any goodwill it earns now will help with its future business.

The measures are the result of a survey, commissioned for the Provincial from Gallup.

It shows that people facing redundancy lack advice from all quarters. Companies and trade unions are hesitant to help.

The survey confirmed that very few of those who lose their jobs turn to building societies or banks for advice, although when they do they generally find the advice useful and act upon it.

Commenting on the scheme, Mr Holmes said: "Half the population has a building society account and one in 11 adults is currently out of work. The implication of these statistics goes well beyond what may or may not be done with golden handshakes." Although Provincial's main concern is to provide advice on the effect of redundancy on domestic financial matters, it is also encouraging workers made redundant to set up their own co-operatives. The society is handing out information on the Cooperative Development Agency, set up by Parliament.

Community service plan for jobless

The Manpower Services Commission yesterday announced a £32m scheme aimed at providing 25,000 temporary community service jobs for the long term unemployed.

Sir Richard O'Brien, chairman, made clear that this was only intended as a start and the commission would be approaching the Government for further funds to expand the scheme.

"These people and unemployed teenagers are the major casualties of rising unemployment. Most are unskilled, most left school at the minimum school-leaving age, few have any training and most have had a sequence of unskilled jobs over the years," Sir Richard said.

Society should not turn its back on the victims of unemployment, he said, urging that private industry and nationalized industry should come forward to sponsor the new scheme, which replaces the Special Temporary Employment Programme.

He said that, in December last year, there were 390,000 people who had been out of work for more than a year. The number was rising and the commission thought it would reach 500,000 or higher within the next 12 months. People on the scheme would be given work of value to local communities.

LETTERS TO THE EDITOR

Promoting small firms Government stake in BL

From Sir Harold Wilson, MP for Hydon (Labour)

Sir, The Confederation of British Industry's proposal for the coordination of the existing agencies which assist the development of small industrial firms, reported in your issue of February 9, is to be welcomed. Steps for achieving this were set out in the main Report of the Committee to Review the Functioning of Financial Institutions (Cmd 7937), published last summer, and in our Report on the Financing of Small Firms (Cmd 7503 of March 1979).

The most important priority is to bring England into line with Scotland and Wales, which have their own Scottish and Welsh Development Authorities, as well as the Highlands and Islands Development Board and the Development Board for

Rural Wales respectively. England has the Council for Small Industries in Rural Areas (Cosira) whose operations are confined to purely rural areas and to country towns with less than 15,000 population.

What my colleagues and I sought to see established would be a "Cosura" to provide for urban areas of England some of the facilities available in Wales and Scotland. This would not need any elaborate supervisory machinery. Cosira works under the aegis of the Development Commission, set up by Lloyd George in the early years of the century. Its urban counterpart could easily be fitted into the commission's activities, at any rate for the first few years.

HAROLD WILSON, House of Commons, London SW1A 0AA.

Design of calendars

From Mr R. J. Evershed

Sir, Mr Leaver ("Standard design for calendars", Letters, February 5) will be interested to know that the British Standards Institution lay down a detailed specification for most weeks are to be numbered (BS 4760). This includes the requirement for Monday to be the first day of the commercial week.

As far as layout of dates is concerned, however, there is no standardization, although it is generally found to be easier to read a calendar where the days

of the week read left to right rather than top to bottom. In the absence of any official regulation on either of these aspects of calendar design, there will no doubt continue to be a number of different layouts, according to the whim of publisher or customer.

Yours faithfully, R. J. EVERSHED, Managing Director, Evereds, Alma Road, Hertfordshire, AL1 3AS. February 5.

Overseas mail rates

From Professor N. Kurti

Sir, I was disappointed with the somewhat disingenuous reply of the Director of International Postal Affairs (February 6) to the correspondence regretting the increase in postal charges to countries of the European Community when charges on mail in the reverse direction have just been decreased. He says that only (my italics) Denmark, the Federal Republic of Germany, France and the

Netherlands apply lower postal charges. He should have said that only Belgium, Italy and Luxembourg (responsible probably for less than a quarter of our Economic Community postal traffic) apply the higher rates. Yours faithfully, N. KURTI, Department of Engineering Science, University of Oxford, Parks Road, Oxford OX1 3PJ.

Self-regulation at Lloyd's

From Sir Graham Page, MP for Crosby (Conservative)

Sir, With reference to the report (February 11) "Compromise talks start on Bill for self-regulation at Lloyd's", I have no objection to meet Lady Middleton or any other Members of Lloyd's who are not MPs. The Lloyd's Bill has not been withdrawn.

Neither Lloyd's nor I have any intention of withdrawing it. The Bill has not faced parliamentary opposition during its second reading last month: it

has not yet had a second reading. No specific meeting of Conservative MPs has been arranged for Thursday evening although, of course, I discuss the contents of the Bill from time to time with interested MPs.

I will not weary you with a recitation of further errors in that item by your insurance correspondent who made no inquiries of me before writing it. GRAHAM PAGE, House of Commons.

From Mr Richard Page, MP for Herefordshire South West (Conservative) and Mr H. G. Miller, MP for Bromsgrove and Redditch (Conservative)

Sir, We believe everyone shares the concern that was expressed in the letter published on February 7, over the future of British Leyland and the sheer size of government support. However, while pointing out its constituency and a personal involvement, we believe the view as set out do indicate a simplistic approach which, if implemented, would ensure the collapse of BL. Setting aside the demoralizing effect to the planned piece-meal removal of minor parts of the company there are two main factors to be considered.

First, one of the major strengths of BL is that of its depth and quality of its dealer network throughout the country. While already struggling to maintain sales throughout the removal of one or more franchise modules into the hands of other manufacturers would obviously with reduced sales cause dealer closures or conversions with a resultant loss of orders on the factory.

Secondly, disposal of previously profitable parts would merely lower the banks borrowings and apart from a reduction in interest would necessitate an increased subsidy to keep other parts operating.

Any decision over the future of British Leyland, no matter whether it be to continue, set off or part close down, must lie in a tightly coordinated plan involving the whole plant and not a haphazard disposal which would create more difficulties and cost than it would solve.

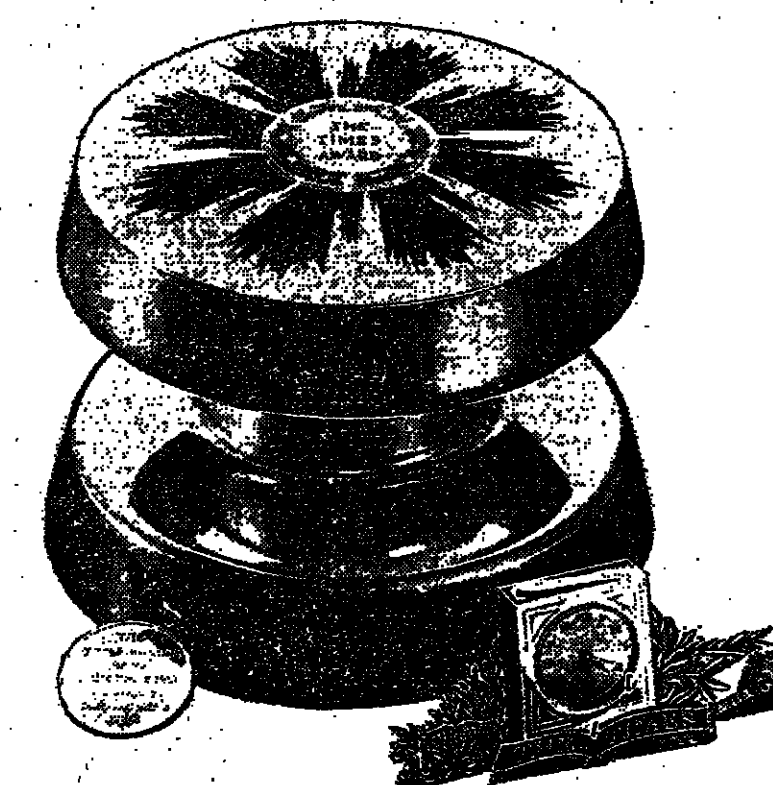
HAL MILLER, RICHARD PAGE, House of Commons.

Training boards

From Mr P. Palmer Jones

Sir, That the Centre for Policy Studies report on industrial training boards is irrefutable, proved by the constructive industry that trained both men and better apprentices before ITBs were conceived, within the £200m plus annual levy or the considerable administrative costs within the firm forced, without consultation into participation.

Unless government gets our backs on this typical bureaucratic extravaganza, the private industry will never be off its economic knees. P. PALMER JONES, F. P. Calne Limited, Borough Green, Kent TN15 8AX.



The Times Awards 1980 Winners.

The winning entries for The Times Awards were those advertisements which, in the opinion of the judges, would leave the reader with the impression that the company would be a good one to do business with, to work for, or in which to invest. The advertisements were judged in terms of good use of typography, design and copy to convey the relevant information.

The task of the independent panel of judges was made particularly exacting by the number, range, and quality of entries from industry, commerce and finance.

The Grand Prix.

The Times is pleased to announce that the winner of the 1980 Grand Prix is:

Unilever Ltd.

Agency: Charles Barker CBCLtd.

Their entry was judged to be the advertisement that best conveyed, by way of typography, design and copy, information relevant to shareholders, professional advisers, prospective investors and all concerned in the company's well-being in short, an advertisement that would leave the reader with the impression that the company would be a good one to do business with, to work for, or in which to invest.

Judges' Special Awards.

Overseas Companies

Creditanstalt-Bankverein

Agency: Charles Barker CBCLtd.

Smaller Advertisements

20 lines x 4 columns or less.

Powell Duffryn Ltd.

Agency: Streets Financial Ltd.

Special Award

The most significant contribution to new imaginative thinking in industrial advertising.

ICFC Ltd.

Agency: Doyle Dane Bernbach Ltd.

Category Winners.

Category 1a

Annual Results, Colour or mono. Half page or larger, or equivalent.

1st: Lonrho Ltd.

Agency: Walter Judd Ltd.

2nd: International Thomson Organisation Ltd.

Agency: Charles Barker CBCLtd.

3rd: Rockitt & Colman Ltd.

Agency: Dewe Rogerson Ltd.

Category 1b

Annual Results, Colour or mono. Less than half a page or equivalent.

1st: Booker McConnell Ltd.

Agency: Valin Pollen Ltd.

2nd: London Trust Company Ltd.

Agency: Valin Pollen Ltd.

3rd: S & W Berisford Ltd.

Agency: Streets Financial Ltd.

Category 2

Interim Results, Colour or mono. All sizes.

1st: Consolidated Goldfields Ltd.

Agency: Charles Barker CBCLtd.

2nd: Pearson Longman Ltd.

Agency: Charles Barker CBCLtd.

3rd: Charterhouse Group Ltd.

Agency: Dewe Rogerson Ltd.

Category 3

Preliminary Results, Colour or mono. All sizes.

1st: J. Sainsbury Ltd.

Agency: Streets Financial Ltd.

2nd: C.T. Bowring and Co. Ltd.

Agency: Walter Judd Ltd.

3rd: British Sugar Corporation

Agency: Charles Barker CBCLtd.

مكتبة من الأصل

BY THE FINANCIAL EDITOR

Curbing the fringe operator

General exploration stocks have always had dubious reputation, but it has taken one or two well-publicised episodes, notably that of the Ezzell, to push The Stock Exchange into plugging the listing loophole Rule 163 (1) (c). This rule, originally introduced five years ago to encourage capital in the North Sea, has been used by some fringe companies to raise cash before they have been quoted in their country of incorporation. A clear inequality of information is revealed.

Since it is frequently difficult for British investors to assess small foreign exploration companies—not just for the obvious reason of distance but because of ecology, local environment and so on—The Stock Exchange is quite right to insist, as it now will, at price sensitive information released elsewhere is also available in London. Even the speculative enthusiasm they use, Canadian and possibly Australian companies will be most affected.

As is often the case with new regulations, a problem is how to avoid deterring the market and investors from using the rules. Much of the attraction of Rule 163 (1) (c) is that companies can circumvent the normal listing requirements. By "private" companies to reach agreement, before their shares are traded, on the closure of price sensitive information, the council presumably hopes that the rule will be eliminated in advance and the next best thing to their agreement. As its ultimate deterrent the council can deal with the understanding reached in Canadian markets should assist. The adverse of this tightening up is other new provision allowing dealings in high-based mineral exploration companies which operate overseas but which do not have full listing or for the time being listed market. This should give investors easier access to the North American oil and gas markets. Both new regulations should be like this fast-moving and often rewarding market more open for British investors.

Stockbroking rationalization moves

It is inevitable that at a time of recession and uncertainty due to the impending Restrictive Practices Court hearing at which the Stock Exchange will have to defend itself (or rather its rule book) that there will be speculation about when cold winds will again start to blow down Throgmorton Street.

A number of unconnected events recently tended to support the view of the gloom: the fact that a wholesale rationalization of stockbroking business (not to mention her contraction among stockjobbers) is in the air.

First, there was the decision of Rowe, a small but high-profile firm, to withdraw from The Stock Exchange and develop financial services business. This is a trend which appeared to point to the future many for stockbrokers anyway if a Restrictive Practices Court ruling were to break up the ring Stock Exchange cartel allowing banks and merchant banks, and others, to deal in securities and forcing stockbroking firms to compete as best they could in an open competitive environment.

Secondly, there has been a "hammering" of small stockbroker, Norman Collins, not as significant as such but nevertheless the first failure for five years. And today there was another merger when John Langner opted to go in with Capelle Myers.

In a gossip place like the stock market, events taken together are seen by some as a straw in the wind, but actually there is real evidence of a pattern of pressure building up. Business, after a dull period under Christmas, has revived and is now back to the sort of levels seen last year.

But the situation is deteriorating. It has said, there will inevitably be mergers, because it is acknowledged that the idle ground of stockbroking—those firms that cannot offer the sophisticated invest-

ment services of the big firms or give the personal service required by small private investors—is tending to lose its raison d'être.

Moreover, The Stock Exchange itself, recognizing the weak points in its defence of the Office of Fair Trading's allegation that it is operating a restrictive practice, is openly encouraging change—allowing jobbers to have direct access to international clients, for example.

However, the road towards the eventual future structure of the securities markets in this country is still a long one: even if the court were to ask for major changes from The Stock Exchange the appeal procedure now available under restrictive practices law could mean that none of these changes would be operational until 1985 to judge from the likely timescale of events.

London Sumatra

Harrisons makes its move

The terse statement from Harrisons & Crossfield (H & C) yesterday that it is considering buying out the 54 per cent of London Sumatra Plantations it does not hold signals the end of a long running duel between H & C and the group which failed to gain control of London Sumatra three years ago. It seems clear that RIT, McLeod Russell, Sipef and the others have decided to take their profits. At yesterday's price of 378p, up 35p, compared with the 35-40p at which they bought, these profits are handsome indeed.

H & C has steadily raised its stake in London Sumatra, as it can under the Takeover Panel's rules, to the point at which it effectively controls the company. The great prize over which the protagonists were fighting is the huge acreage of immature trees, mainly rubber, on which more than £20m has been invested over the last decade or so. Before long, these will bring in a tidy income. Having lost management control, the previous bidders decided that the capital gains offset whatever income might accrue from the growing acreage.

Where all this leaves the individual shareholders in London Sumatra is less clear. Depending on the assessment of the plantation assets, London Sumatra is worth between 450p and 500p a share. H & C is offering the market price, which crept up for a couple of days before the announcement and jumped yesterday. That would be a discount of about 100p or 20 per cent. Some shareholders may feel that H & C is getting the assets cheaply but the argument is complicated by the extent to which Indonesia's political risk is discounted in the assets. Meanwhile, RIT could transfer its attentions to other areas, Warren Plantations being one.

● The sale of Stone-Platt's propeller business should mark the end of the programme of major disposals set in train after the group was rescued by its bankers last April. The group has been steadily renouncing to concentrate on its core textile machinery business and its profitable electrical division.

The propeller business, although it has never been a major drain on the group and in fact made profits in the first half of 1980, has suffered from the slump in shipbuilding and the cash tied up there can clearly be better used in reducing group borrowings.

The impact of this sale will not be as great as that of the pump division, sold last November for £11.5m. The book value of the assets being sold or closed is £6m and there will be a book loss as a result of these latest deals. But quite what Stone-Platt's balance sheet will look like at the year-end is still a matter of guesswork.

The sale of the pumps division and other disposals brought debt down to about £49m—not far short of shareholders' funds. Meanwhile, in the second half of 1980 the group should have wiped out some of the first-half losses but there will be overseas tax to pay and presumably further rationalization costs leading to a sizable net loss to be written off reserves.

But the group still has a long way to go in reducing borrowings and replenishing its slumped-down textile machinery business in Lancashire.

Economic notebook

Supply siders chase a chimera

With Mr Reagan's assumption of the United States Presidency, the concept of "supply side" economics has been propelled to the centre of the political stage—just as "monetarism" was a few years back. The problem with this politicization of economic concepts is that it usually results in their being reduced to labels which are banded about with a singular lack of discrimination; and their meaning is taken to be whatever a particular advocate would like it to be.

It is quite clear that for some advocates "supply side" economics is nothing more than a euphemism for cutting taxes, usually in a way that redistributes income from the least well-off members of society to the wealthier groups.

In its broadest sense, of course, supply side economics embraces any number of methods and techniques aimed at boosting productivity and output and generally reducing impediments to the supply of goods. The pursuit of such goals may involve raising business investment, increasing expenditure on education, reducing industrial accidents, energy conservation and anything else which would lead to a more efficient use of resources.

In this broader sense, then, policies for improving the supply side of the economy can be taken to include any industrial strategy that so preoccupies the last Labour Government, a reduction in taxes and regulations, planning agreements or even asset stripping.

Mixed in this way, almost every business policy can support some course of action to tackle the supply side of the economy. Even neo-Keynesians, who argue that "demand" creates its own supply, would not be likely to object to policies that raised investment and eliminated bottlenecks.

However, for conservative economists in the United States supply side economics essentially means reducing taxes on incomes, to encourage harder work, and providing tax incentives for business investment and private savings. Although it is accepted that the rich will benefit most from such tax cuts, it is argued that poorer Americans stand to gain more in the longer run from higher economic growth.

Incentives

The economist most closely identified with the "supply side" approach is Arthuraffer of the University of Southern California, who maintains that high tax rates have reduced incentives to work, invest and save, with the result that productivity and tax revenues have fallen. He claims that the high rates in taxes would actually raise revenue for the government by raising economic activity.

There is virtually no evidence to support the belief that cuts in income tax might ultimately prove self-financing in this way and the idea has been described as "chimerical" in a paper by Kay and Hemming of the Institute for Fiscal Studies in Britain.

Certainly, the Thatcher Government's brief flirtation with supply side economics cannot be counted a success. But Sir Geoffrey Howe's Budgets made substantial reductions in the tax burden of those with the highest incomes.

The first Budget gave 37 per cent of the tax hand-out—about £1,500m—to the richest 1 per cent of the community. Those earning £50,000 a year received take-home pay rises of 50 per cent. The second Budget gave 14 per cent of the entire hand-out to the richest 2 per cent.

Yet, more than 18 months after the first Budget, investment is falling and expected

to decline much more. Production has plummeted.

The problem is that company investment is related to levels of demand. Industrialists do not invest in new plant and machinery unless they see a market for their increased production. This means that if government desire to encourage greater investment, they must maintain a high level of aggregate demand.

But on both sides of the Atlantic policies aimed at managing aggregate demand are held responsible for inflation and declining productivity. This is why economists have been looking more closely at the supply side of the economy. There is nothing new in this. Like monetarism, supply side economics only puts a modern dress on classical and neo-classical economic theory. In effect, modern supply siders are re-enacting the "Say's Law", named after the French economist Jean Baptiste Say (1767-1832).

Emphasis

This law says that there cannot be a lasting deficiency in aggregate demand or, correspondingly, general over-production, because the act of producing generates incomes sufficient to purchase what is produced. In other words, "supply creates its own demand"—the opposite of what Keynesians have argued. This line of reasoning was thought to have been pretty effectively demolished by Keynes when he showed how it was possible for money to lay idle rather than being used for consumption or investment.

In fact, the reduction in personal taxes advocated by modern "supply siders" will itself add to demand (in the best Keynesian tradition), unless allied to a monetarist policy of cutting government borrowing and spending.

The differences between supply siders and Keynesians in advocating income tax cuts (apart, perhaps, from a concern by the former for the effects on the Budget) is the emphasis that supply siders place on incentives to work and save. It is far from clear what the effect of tax cuts would actually be.

Lower income taxes would allow people to do less work and still maintain their standard of living. Similarly, if taxes were cut on income from savings, it would allow people to spend a higher proportion of their income and maintain a specific growth in post-tax savings. It certainly cannot be assumed that people would want to work harder and save more.

It is a tenet of supply siders that taxes should be cut proportionately more for the wealthier groups because they save more and will, therefore, make more money available for investment. But, viewed from a Keynesian standpoint, such a redistribution of income would be economically mistaken—apart from being morally dubious. This is because the higher the propensity to save, and the lower the propensity to consume, then the lower will be the multiplier effects of a tax cut boost to national income and less will be the employment created. In such a case, the higher the rich may grow but demand may not be sufficient to make more company investment worthwhile.

On the other hand, if tax hand-outs are spent, this will raise demand, encourage investment and raise national income to a point where savings are sufficient to match the higher investment (even if the propensity to save is initially low). In this way supply and demand are mutually reinforcing. But of course, it all depends on what you mean by "supply side" economics.

Melvyn Westlake



Mr Eric Varley (left) who as Secretary of State for Industry in 1975 helped to put together the Chrysler rescue package, and M Jean-Paul Parayre, head of Peugeot-Citroen, which took over the Linwood plant from Chrysler.

Why Talbot has called a halt at Linwood

Peter Hill

Only a few days ago ministers were enthusiastically welcoming plans by Nissan Motor, which are likely to lead to a modern highly automated Japanese car manufacturing plant being built in the United Kingdom.

No one was more effusive than Norman Tebbit, the Minister for Industry, who, though suitably restrained when asked how much government money Nissan might expect to receive, was in no doubt of the massive benefits which the Nissan venture would confer on the ailing British motor industry.

That was the good news. Yesterday came the bad news. Peugeot-Citroen, the French motor company announced that it was closing down its Linwood plant in Renfrewshire. Production of Avenger and Sunbeam models bearing the Talbot badge will finish by the end of this year and the entire operation, employing 4,800 workers—will be phased out by the end of this year.

The decision was not unexpected, certainly not among the plant's workers, although there has been the predictable outcry from Opposition MPs concerned not only about the immediate impact on Linwood itself but also about the knock-on effect.

The transfer of the Linwood labour force to the Cole queues in the plant. Although the British Steel Corporation was playing down the impact of the Linwood closure on the steel strip which it supplies to the plant from the giant Ravenscroft complex (at present about 5-10 per cent of its production) new markets will have to be found and that will not be easy. Many other suppliers will also feel a chill wind.

It is by any standards an enormous blow to Scotland and to the Government. Mr Robert Scott, a body shop worker at the plant, was in no doubt yesterday where to lay the blame.

"Mrs Thatcher and the Tories have caused the closure. There has been no money in the bank. What we needed was a new model", he observed bitterly.

To be fair, the Government has bent over backwards to entice Peugeot-Citroen to keep the plant going and has stated expressly that it would be more than prepared to lubricate the investment wheels with generous handouts.

In detailed discussions with the French owners—most recently on Monday evening this week when M Jean Paul Parayre, president of Peugeot-Citroen met Sir Keith Joseph, the Industry Secretary—ministers have outlined the extent of that help.

In return for the new Peugeot model, codenamed the C15 (a replacement for the 104) being

directed to Linwood, the Government would have been prepared to offer the standard 22 per cent regional development grant available for companies investing in a special development area topped up with 10 per cent selective assistance. The total aid package would have been worth about £40m—about a third of the estimated cost of modernizing and retooling the Linwood plant.

But M Parayre and his colleagues, who include the ubiquitous Mr George Turnbull (formerly of British Leyland and Hyundai Motors of South Korea), were not persuaded. The company's statement made that much clear.

"If it had been financially possible to continue with Linwood, we would have done so. But because its production throughout has been inadequate to cover all the costs associated with a complex car manufacturing operation, it has proved impossible to avoid continuing big losses."

Like the rest of the motor industry Peugeot-Citroen has felt the chill winds of recession. Last year the company is estimated to have lost between £182.7m and £200.1m. Operating losses and associated interest charges from Linwood in 1979 were more than £20m and losses for last year, according to the company, were "even higher".

With an air of total finality, Talbot said yesterday: "The company simply cannot afford to continue with losses of this magnitude."

Whatever the sheer weight of economic circumstances which have forced the closure, Linwood's demise is going to cause a political storm. People are going to start recalling the undertakings given both by Chrysler and subsequently Peugeot-Citroen when it acquired the Chrysler UK operation in January 1978 for a nominal \$1.

In 1975, the Labour government, with Mr Eric Varley then Secretary of State for Industry, in the vanguard, put together (with the help of the London and Scottish clearing banks) a rescue package totalling £162.5m. That expensive constructed Linwood followed a solemn declaration of intent by Chrysler which, *inter alia* stated: "Following the reorganization... Chrysler UK

will embark on a programme of modernization and investment in new models which will help it grow and prosper in the United Kingdom and specifically, to provide continued employment at CUK's principal plants located at Ryton, Stoke, Luton, Dunstable and Linwood."

On the takeover by Peugeot, undertakings given by the French company included an assertion that it would "continue employment at all Chrysler UK facilities including the principal plants", as stated in the original Chrysler declaration. But the French package included the now pertinent escape clause that this undertaking would be adhered to "to the extent consistent with the prevailing economic conditions."

Those economic circumstances will be the defence which the company will plead if the Government demands repayment—as it could—of the £28m which formed part of the original rescue package which is repayable from 1985 to 1990. In addition, there is an outstanding loan of £55m provided by the banking consortium and other bank loans amounting to £22m. The Government loan, although unsecured, is guaranteed by Peugeot.

Under Mr Turnbull, Talbot has made every effort to reconcile itself to the recession-hit United Kingdom market. Thousands of jobs have been shed, pay restraint has been observed and productivity has leapt by 25 per cent.

Impressive improvements certainly but at the end of the day the kind of facts which tell are that the Talbot Poissy factory outside Paris turns out as many cars in a single shift as the Ryton assembly plant in one week.

Last year Talbot gained around 6 per cent of the United Kingdom market and Peugeot about 1 per cent.

But the credibility of the undertakings about maintenance of United Kingdom manufacturing, while undermined, has not been totally tossed aside. Car production will be concentrated at the Midlands plants; another model (involving new investment) is planned at Ryton and the company plans a revamping of its dealer network to secure increased market share.

"It is our intention", declared Talbot yesterday, "to maintain a strong manufacturing presence in the United Kingdom allied to increased sales of both Talbot and Peugeot products." Cold comfort to the Linwood workers and another hostage to fortune?

Making sure metal can stand up to the North Sea

Lying in an Aberdeen laboratory are torn anchor chains, fractured steel shafts and giant bolts snapped in two, which testify to the power of the North Sea and the vulnerability of metal.

This shrapnel from the oil industry is under investigation by technicians who are busy checking the soundness of material used in the oil industry and finding out why it fails.

Hardly anywhere in the world has oil been produced under such severe conditions as those found in the North Sea. The relentlessly rough weather imposes a stress on man-made materials which demands a constant watch.

Failure could be truly disastrous. More than 2,000 people work in the oil industry, many of them on artificial islands. The collapse of a platform, as the Alexander Kielland disaster showed, means an inevitable loss of life.

Secondly there is the risk of wide-scale pollution and with it loss of production which could quickly run into millions of pounds; and there is the high price of repairing a structure at sea.

Prevention is better than repair, says Mr Gregory Marshall, managing director of Oilfab Project Services, one of the specialists in this field.

His laboratory specializes in two services—high speed chemical analysis of the metal used in offshore equipment and a computer-based quality assurance programme which speeds up the traditional mill inspection and gives a computer print-out in which suspect material shows up immediately.

What the systems guard against particularly is the likelihood of a brittle fracture occurring in parts of a platform that are constantly under stress. Such fractures spread at the speed of sound and happen



Mr Gregory Marshall with a broken gear shaft brought in for examination.

without warning in metal which is not sufficiently tough. Classic examples of such spectacular collapses include the oilrig Sea Gem and the wartime liberty ships which snapped in half.

A few filings are removed from any area in doubt. Using a spectrometer, a remelt furnace and a computer, the technicians can get fast results without having to take pieces out of a structure for destruction testing.

Checks on steel plates and tubes at the fabrication stage are now standard practice. The qualities in steel required for the North Sea are such that customers usually put their own inspection teams into the steel mill, in addition to the certifying authority working on behalf of the government, to monitor the material as it is produced. Anything that does not meet the specification is rejected.

Normally, only one set of tests is conducted which could allow a small proportion of inadequate plate to slip through.

The Aberdeen company analyses information about the plate or pipe against a bank of material collected on similar metal. Inconsistencies stand out sharply, indicating that a particular piece of steel warrants a closer look.

"It ensures that steel which has met the specification purely by chance never ends up as a critically important part of the structure where it could cause problems," says Mr Marshall.

"There are two principal reasons why metal will fail—because it is either chemically or mechanically imperfect. It is clearly essential that failure should not happen in the North Sea."

Ronald Faux

Business Diary: Cobblers' lot • Fair deal for nurses?

Timpon, to whom Business Diary spoke yesterday, has a quick on his feet to stay out of the game in his business. He is managing director of William Timpon, the shoe chain founded by his great father.

Timpon says that, depression or no, people are no longer entraining on cheaply-made rubber-soled shoes, but are going for the expensive leather article.

He means that the repair of the business is bouncing so much so that the shoe business is looking a little more what it was in old grandfather William's day. Timpon has about 500 shoes of one sort or another about 200 repair outfits.

There is still a long way to go, however, before this latest ion takes cobbler back to the palm days of the stiletto.

The stiletto needed constant retipping and the heels themselves were always snapping.

A strange beneficiary of a fashion in ladies' shoes member was Rentokil. When form shoes were in, it led one lady's footwear for doom.

Timpon is the second big force in shoe retailing here the British Shoe Corporation (Hilley & Skinner, Saxone others).

Timpon let slip that next fashion that could off is in retuiting itself. sces discount shoe outlets ming important and is ng the market already with iscount shop under a nonpion name somewhere in ain.

Wallchart
IN ORDER TO PROMOTE MORE
LUCID, CONCISE,
INTERNAL COMMUNICATIONS

**YOUR TRAINING
DEPARTMENT HAS
COMPILED FOR YOUR
GUIDANCE....**

**...THIS SEVENTY FOUR
PAGE TRAINING
MANUAL...**

London is to have its first, possibly annual, international nursing job fair. For two days next month the rooms of the Royal Garden Hotel will bulge with nurses of all kinds—students, those actually qualified and working and some who have trained but are "resting".

As many as 2,000 are expected to respond to advertisements inviting them at no cost to meet prospective employers from perhaps fifty hospitals. They will attend seminars on what nursing is like in America and learn whether the bedpans really are paved with gold on the other side of the Atlantic.

The idea has overtones of Thomas Hardy's hiring fairs, where a few employers had the pick of legions of farm workers, and seems admirably suited to the 19th century economics now so much in favour.

But the literary allusion is lost on the Boston-based organizers—the Prime National Publishing Corporation, whose main business is the publication of a trade paper for nurses, of a trade paper for nurses, of a trade paper for nurses, of a trade paper for nurses.

Indeed, for them the idea is old hat, because it diversified into job conferences almost seven

years ago, and runs them regularly for nurses and occasionally for computer people.

As far as their man Paul Sullivan is concerned this is the most efficient way to get recruits and recruiters under one roof, the better to alleviate the shortage and maldistribution of nurses between London, Canada and the United States.

The original plan was for the alleviation to be all one way, with staff-starved American hospitals employing trained British nurses, but a number of United States hospitals balked at the \$2,700 (£1,100) price tag for the package trip (although sightseeing was included) for just a few days in London.

"We had hoped to attract 50 recruitment people from American hospitals," Sullivan says, "but so far we have signed up about 25."

"Then we discovered British hospitals have staff shortages, too, so we decided it would be fairer to make space available to them also."

The response so far has been good. It is cheaper for British participants, of course, because

there are no transport or accommodation charges. Sullivan's company earns its profit by making all the arrangements—hiring the hall and subletting stall space to the recruiters. Apart from the occasional disaster, as in Atlanta last autumn, when only a few recruiters turned up, the idea works well in the United States.

They run about 15 of the sessions a year, mainly in the big northern cities like Boston, Chicago, New York and Los Angeles.

Even if his fair is a success, he does not foresee a "nurse drain" to America, at least not immediately. "We actively discourage people from taking or offering new jobs at the conference because the atmosphere is so divorced from where they will end up working," he said.

"It is primarily a forum for the exchange of information. But we do find in America that those people come back the following year having thought about their future. Then they are ready to move."

Thus, if all goes well, this year's fair is only the beginning.

● Kenneth Baker, the Government's new Minister for Industry and Information Technology (Indifotech) is losing no time in getting to grips with the brave new world of high technology which the Prime Minister and Sir Keith Joseph, his department chief, regard as the seed corn of the country's industrial regeneration.

Baker has arranged a series of trials of the world's leading teletext systems, Prestel and Viewdata, within the Industry Department.

But the new minister is also apparently taking things a stage further. The latest word is that a 2,200 word processor, the new generation of machine developed by the National Enterprise Board-controlled Nexos electronic office equipment company is about to be installed in the House of Commons headquarters of the industry department.

The ministerial interest in the new word processor and reports on its operational capability will clearly be carefully watched by Nexos, which has negotiated the sale of 65 of the machines to Commercial Union Assurance.

Cable News, the Atlanta-based cable TV company, has prepared a video special to be screened at the end of the world. Armageddon will be greeted by such musical routines as "God Bless America" and "somewhere in time" by Stars and Stripes Forever. The curtain will come down on the human race to the strains of "Nearer My God To Thee". With a hawk at roost in the White House it pays to be prepared.

Ross Davies

FINANCIAL NEWS

Stock markets

Gilts ahead while equities recoup early losses

It was a quiet day for most sectors of the market yesterday. Leading equities opened easier by a couple of pence, but the advance was quickly reversed by the threat of industrial action by the miners over possible pit closures but recovered by the close. Otherwise, investment buying was again more apparent in special situations. Gilts, however, proved the exception and showed slight gains on the day.

Further consideration of the handling figures released on Tuesday was thought by some to be behind these moves, but gilts dealers attributed the advance to thin conditions. Longs opened at previous night's levels to firm by 1/2 to 1 1/2 during the day and look to move quietly ahead. Shorts also advanced during the day to close firmer by 1/2 to 1 1/2, with reports of some active investment buying. But the new takeovers were under-subscribed.

Leading equities recovered a very quiet day with thin conditions for both buying and selling. The threat of the miners' action and the closure of Talbot's Linwood factory saw the market open cautiously with some selling early on. Some blue chips dipped such as Glaxo down from 262 1/2 to 258 1/2. Later it recovered to 264 1/2. ICI cost 2 1/2 to 262 1/2. Becton Dickinson rose 1/2 to 180 1/2. Dow Jones dropped 1 1/2 to 195 1/2. Dow Jones Industrial Average reports today, was a penny off at 791 1/2. Dow Jones Industrial Average reports today, was a penny off at 791 1/2.

A similar story applied to electricals where again thin conditions prevailed. The board has denied any takeover approaches but the market is talking of a 200p a share bid from the Hongkong shipping magnate C. Y. Tung. One London broker spoke of assets in the region of 400p a share.

Line, still looking for a counter-offer to the latest Turnbull bid, climbed 13p to 435p. Reardon Smith, also on bid speculation and a broker's circular, added 16p firmer at 140p. European Ferries, after their week-long climb, dipped 3p to 161p reflecting profit-taking after Tuesday's gains and news of the Spanish acquisition.

Crouch, after an interim profits setback, fell 13p to 140p. D. Macpherson climbed 4p to 68p and Crest Nicholson rose 3p to 133p following encouraging figures earlier in the week. Westland, after general meeting forecasts, added 6p to 125p. Speculative buying lifted G. W. Sparrow 5p to 73p and added 6p to Lister at 40p. Fading bid hopes took 5p from I. Barget at 175p.

Also on the bid front, Harrison & Crossfield's approach boosted London Sumatra 5p to 275p. Harrison dropped 5p to 67p. This sparked off speculative demand for Warren, up 10p to 218p, while Malakoff put on 10p to 124p. News of Escal's share stake lifted David Dixon 2p to 46p.

Shares were suspended at 365p in Meekatharra, the Australian coal mining group, awaiting independent survey results. Oils continued their downward move and jobbers reported a day in the doldrums. Leaders like BP down 2p at 410p, Shell down 6p at 418p, Ultramar, down 1p to 485p led the way. Tricentrol fell back 6p to 314p and Burmah dropped 3p to 183p. It is still the second-liners which are attracting most attention. One bright spark came from the new placing of Oil and Gas Products. Opening at 42p, the shares closed 1p up and the partly-placed shares, doubled in price to 81p.

But exploration issues saw Double Eagle 45p higher at 255p, and Warrior up 40p to 260p on annual reports published yesterday. Banks saw movements after several days of inactivity. Barclays, rose 7p to 405p and Midland was up 7p to 335p, while Lloyds put on 4p to 335p. Insurances recouped opening falls, but still closed a little easier. Jobbers described difficult trading with shortages of stock and mainly selective buying. Commercial Union, on press reports, tumbled 1p to 152p. General Accident was down 2p to 298p but Royal added 3p to 363p.

Properties showed a mixed market with losses confined to a few prices. Insurance added 3p to 35p on acquisition news, otherwise Stock Conv dropped 5p to 340p, MEPC net lower, 2p to 235p and Land Secs was unchanged at 398p.

Equity turnover on February 10 was £128,975m (18,194 bar gains). Active stocks yesterday, according to the Exchange Telegraph, were GEC, Shell, ICI, Boots, Bowater, Barclays, Tricentrol, Imperial Group, Turner & Newall, Guinness, Pearl, BP, Associated Dairies, Becton, BAT and BTR.

Traded options: Dealers reported total contracts of £25. GEC attracted 151, Rascal took 124, Shell attracted 23, P & O 17, Lombar 41 and Land Secs took 37.

Traditional options: Dealers reported very quiet conditions with calls in Gold Mines, ICI, Charterhall, Endeavour, Oil, Turner & Newall, First National Finance and Johnson & Fifth Brown and Hampton Trust.

Puts were arranged in Thorn and Groviteel Mines.

Latest results

Company	Sales	Profits	Earnings	Div	Pay	Year's
£m	£m	£m	£m	pence	date	total
Anglo-Amer Secs (F)	(—)	4.79(4.7)	5.25(5.12)	3.4(3.0)	—	4.7(4.7)
Christy Bros (Int)	2.49(4.3)	0.05(0.12)	2.7(6.0)	(—)	—	(—)
F. Cogson (I)	1.2(1.2)	0.05(0.1)	0.05(0.1)	(—)	—	(—)
Martin Ford (F)	6.42(1.1)	0.21(0.3)	1.84(1.13)	0.6(1.3)	30/4	1.3(2.6)
Moorfield Ltd (F)	(—)	1.2(0.93)	2.17(1.62)	5(4.4)	—	7(6)
Press Tools (I)	1.4(1.41)	0.14(0.2)	(—)	0.8(0.95)	—	(2.7)
Scott & Merc Inv (F)	(—)	0.5(0.39)	5.98(5.26)	5.3(4.2)	2/4	5.3(5.2)

Dividends in Business News: Dividends are shown on a gross basis. To establish gross on per share net dividend by 1.42%. Profits are shown pretax and earnings are net. *Loss; †Comparative figures are for nine months; ‡Latest figures are for six months compared with one year.

to show a pre-tax profit in the second half to June 30.

Christy has changed its year end so comparison is difficult, but in the nine months to December 31, 1979, it lost £119,000 pretax and £157,000 in the ensuing six months.

In the latest six months there was an £88,000 trading profit before interest despite poor sales in the manufacturing side of the business and further losses on contracts taken at low margins. However, underlying charges showed an interesting rise to £142,000.

Since last June, Mr Dyer said there had been considerable cost savings, including a cut in the workforce from 321 to 203 and stock reductions.

On the contracting side, where Christy's revenue has occurred in its chequered past, the group has recently won two contracts for animal feed plants worth about £750,000 each and Mr Dyer said the margins were reasonable.

Because the group shows a debt to distributable reserves it has been unable to pay dividends on the cumulative preference shares under company law.

Meekatharra in row over estimates

By Michael Clark

A row appeared to be growing yesterday between the Australian government and Meekatharra Minerals, a coal exploration company based in Perth.

The dispute concerns estimates of coal production in the Arkaring Basin of South Australia, after complaints by the Minister of Mines and Energy for South Australia, Mr Roger Goldsworthy. He has asked for a meeting between the company's consulting mining engineers and consulting geologists and the director general of the Department of Mines and Energy to discuss the 2,400 tonnes per year originally estimated by Meekatharra.

Mr Don O'Callaghan, chairman of Meekatharra, upon hearing the news applied to the Perth Stock Exchange for immediate suspension of the shares at £37.30 (375p) just before the close of trading on Tuesday evening.

Mr O'Callaghan immediately issued a statement to shareholders stating: "We are advised that yesterday afternoon the House of Assembly of the South Australian Parliament with regard to this."

"As this company and its consultants have had no opportunity to respond to the Minister's letter prior to his statement to Parliament, the board of directors has determined that it would be in the best interests of the shareholders to suspend trading in the company's shares until such time as the company can ensure a properly informed market."

The shares are quoted in the London market and dealers were optimistic last night that the suspension would last only a week until independent surveys were able to make a report.

Barclays raising £400,000

By Our Financial Staff

Essex-based furniture makers Barclay are raising £400,000 from a placing of 250,000 shares with institutions at 160p, to pay off a loan from the Industrial and Commercial Finance Corporation.

Discussions have been taking place between Barclay directors and ICF on the possible renegotiation of a £216,000 loan which was secured by a first charge on Barclay's factory at Witham.

The directors say that it is in the shareholders' best interests to remove this and have now concluded that the best way of raising new capital through a placing.

Fluor Corporation

Fluor Corporation expects earnings per share for the year to October 31, 1981, to be 15 to 20 per cent above the £2.73 (£1.18) made in 1980.

The statement was made by Mr J. Robert Fluor, chairman, at a meeting attended by some 80 financial analysts in California on Monday.

Cadbury Schweppes

An increase of more than half in pretax profits has been achieved by Cadbury Schweppes (South Africa). They rose from £4.8m to £7.4m (£3.7m). Turnover went up from £36.6m to £50.3m. The dividend is increased from 23 cents to 36 cents for the year.

The chairman, Mr C. Gilliers, says that earnings a share, at 96.4 cents, were 47 per cent higher than last year. Both the drinks and confectionery sections of the business had earned higher profits.

Deutsche Babcock cuts dividend

Deutsche Babcock, the West German machinery group, said yesterday it was cutting its dividend for last year to 6 per cent from 16 per cent in 1978-79.

The company indicated that earnings had not dropped from the 1978-79 level of DM40.8m September 30, 1980, to reserves.

The dividend cut means that the common share will drop to DM6 from DM16. Babcock also said the preferred share dividend would be cut to DM7 from DM17 the previous fiscal year.

Babcock earlier said its 1979-80 sales rose to DM5,000m, up 13 per cent from the previous year. At that time, the company also indicated that earnings would be the best in several years.

International

The payout per DM100 nominal (£8.2m) despite the cut in the payout. A spokesman said the managing board had decided to commit the greater part of earnings for the year ended

the non-sovereign credit is being raised by the three companies involved in the project, BHP Co of Australia, which has a 30 per cent stake, Amoco Minerals of the United States (30 per cent) and Kupfer Exploration of West Germany (20 per cent), the sources said.

The government of Papua New Guinea, which holds the remaining 20 per cent, said in December it would raise a \$70m credit for the project around the middle of this year.

Citicorp to finance mine

Citicorp International Group has been mandated to raise about \$100m (£42.7m) to finance the initial stage of the Papua New Guinea OK Tedi gold and copper mining project, banking sources in Hong Kong said.

The 12-year credit will carry interest at 0.5 per cent above the London interbank offered rates for part of its duration, rising to just under 1 per cent for the remainder, the sources said.

Sceptre spending plans

Sceptre Resources said yesterday that it planned capital spending for 1981 of £53.2m (£11.5m). Additionally, the company will be administering about £53.8m.

In Canada, Sceptre plans to spend £510m and is also the operator of a joint venture with the CS14.1m Sceptre 1980-81

exploration programme. Additionally, Sceptre operates a joint venture with the Sceptre Saskatchewan 80 programme which has a balance of £51.75m to be spent this year. About 100 gross wells are envisaged, along with spending on production facilities and land acquisition programmes.

Jobbers reported firm undertones in a steady engineering market. Again the second-liners were the more buoyant with most stocks closing much firmer on the day. Metal Box was unchanged at 180p, GKN, despite dipping 3p to 143p in the day, ended at 146p. P. Brotherton lost 1p to 160p but Clumb, after recent newspaper comments, added a further 1p to 91p. Vickers rose 1p to 149p and Beaton Clark on the back of a brokers circular, added 2p to 105p.

A flurry of activity was reported in shipping where Stag

Westland shares jump on news of profits increase

By Michael Clark

Westland Aircraft is beating the recession, despite earlier worries over defence spending cuts.

Lord Aldington, chairman, told the annual meeting yesterday that management accounts for the first three months showed profits in real terms running ahead of those for the corresponding period. The market greeted the news with a 6p rise in the share price to 125p.

Deliveries were also up on last year's but were still below previous expectations, while the value of orders received had been boosted by an order for Sea King helicopters received in October.

The group's Ministry of Defence funded research and development had been reduced and was now running below previous levels, although it was expected that this might be

increased in the spring. But the Government's defence spending cuts had seriously affected the flow of orders for spare parts, he added. Nevertheless, the company still had

consolidated Gold led the way down in gold and mining finance shares with a fall of 13p to 423p. But RTZ rose 5p to 438p. Dealers are still looking to Wall Street for further reduction in the United States prime rate after Morgan Guaranty's cut earlier in the week. The gold price, after rises overnight, fell back 14 to close at \$500.5. The heavy-weight golds followed the trend with Anglo American Gold down 3 1/2 to 385, and W. Diefenbain dropped 1p to 29 9/16.

Parts of nut and bolt distributor Walker & Staff Holdings have chased the price up to 25p recently. Observers reckon that having set up five branches in the Home Counties the group is preparing to sell off a large freehold in the box at £23,000, valued two years ago at £30,000, and reckoned now to be worth £50,000.

Equity turnover on February 10 was £128,975m (18,194 bar gains). Active stocks yesterday, according to the Exchange Telegraph, were GEC, Shell, ICI, Boots, Bowater, Barclays, Tricentrol, Imperial Group, Turner & Newall, Guinness, Pearl, BP, Associated Dairies, Becton, BAT and BTR.

Traded options: Dealers reported total contracts of £25. GEC attracted 151, Rascal took 124, Shell attracted 23, P & O 17, Lombar 41 and Land Secs took 37.

Traditional options: Dealers reported very quiet conditions with calls in Gold Mines, ICI, Charterhall, Endeavour, Oil, Turner & Newall, First National Finance and Johnson & Fifth Brown and Hampton Trust.

Puts were arranged in Thorn and Groviteel Mines.

Latest results

Company	Sales	Profits	Earnings	Div	Pay	Year's
£m	£m	£m	£m	pence	date	total
Anglo-Amer Secs (F)	(—)	4.79(4.7)	5.25(5.12)	3.4(3.0)	—	4.7(4.7)
Christy Bros (Int)	2.49(4.3)	0.05(0.12)	2.7(6.0)	(—)	—	(—)
F. Cogson (I)	1.2(1.2)	0.05(0.1)	0.05(0.1)	(—)	—	(—)
Martin Ford (F)	6.42(1.1)	0.21(0.3)	1.84(1.13)	0.6(1.3)	30/4	1.3(2.6)
Moorfield Ltd (F)	(—)	1.2(0.93)	2.17(1.62)	5(4.4)	—	7(6)
Press Tools (I)	1.4(1.41)	0.14(0.2)	(—)	0.8(0.95)	—	(2.7)
Scott & Merc Inv (F)	(—)	0.5(0.39)	5.98(5.26)	5.3(4.2)	2/4	5.3(5.2)

Dividends in Business News: Dividends are shown on a gross basis. To establish gross on per share net dividend by 1.42%. Profits are shown pretax and earnings are net. *Loss; †Comparative figures are for nine months; ‡Latest figures are for six months compared with one year.

to show a pre-tax profit in the second half to June 30.

Christy has changed its year end so comparison is difficult, but in the nine months to December 31, 1979, it lost £119,000 pretax and £157,000 in the ensuing six months.

In the latest six months there was an £88,000 trading profit before interest despite poor sales in the manufacturing side of the business and further losses on contracts taken at low margins. However, underlying charges showed an interesting rise to £142,000.

Since last June, Mr Dyer said there had been considerable cost savings, including a cut in the workforce from 321 to 203 and stock reductions.

On the contracting side, where Christy's revenue has occurred in its chequered past, the group has recently won two contracts for animal feed plants worth about £750,000 each and Mr Dyer said the margins were reasonable.

Because the group shows a debt to distributable reserves it has been unable to pay dividends on the cumulative preference shares under company law.

Meekatharra in row over estimates

By Michael Clark

A row appeared to be growing yesterday between the Australian government and Meekatharra Minerals, a coal exploration company based in Perth.

The dispute concerns estimates of coal production in the Arkaring Basin of South Australia, after complaints by the Minister of Mines and Energy for South Australia, Mr Roger Goldsworthy. He has asked for a meeting between the company's consulting mining engineers and consulting geologists and the director general of the Department of Mines and Energy to discuss the 2,400 tonnes per year originally estimated by Meekatharra.

Mr Don O'Callaghan, chairman of Meekatharra, upon hearing the news applied to the Perth Stock Exchange for immediate suspension of the shares at £37.30 (375p) just before the close of trading on Tuesday evening.

Mr O'Callaghan immediately issued a statement to shareholders stating: "We are advised that yesterday afternoon the House of Assembly of the South Australian Parliament with regard to this."

"As this company and its consultants have had no opportunity to respond to the Minister's letter prior to his statement to Parliament, the board of directors has determined that it would be in the best interests of the shareholders to suspend trading in the company's shares until such time as the company can ensure a properly informed market."

The shares are quoted in the London market and dealers were optimistic last night that the suspension would last only a week until independent surveys were able to make a report.

Barclays raising £400,000

By Our Financial Staff

Essex-based furniture makers Barclay are raising £400,000 from a placing of 250,000 shares with institutions at 160p, to pay off a loan from the Industrial and Commercial Finance Corporation.

Discussions have been taking place between Barclay directors and ICF on the possible renegotiation of a £216,000 loan which was secured by a first charge on Barclay's factory at Witham.

The directors say that it is in the shareholders' best interests to remove this and have now concluded that the best way of raising new capital through a placing.

Fluor Corporation

Fluor Corporation expects earnings per share for the year to October 31, 1981, to be 15 to 20 per cent above the £2.73 (£1.18) made in 1980.

The statement was made by Mr J. Robert Fluor, chairman, at a meeting attended by some 80 financial analysts in California on Monday.

Cadbury Schweppes

An increase of more than half in pretax profits has been achieved by Cadbury Schweppes (South Africa). They rose from £4.8m to £7.4m (£3.7m). Turnover went up from £36.6m to £50.3m. The dividend is increased from 23 cents to 36 cents for the year.

The chairman, Mr C. Gilliers, says that earnings a share, at 96.4 cents, were 47 per cent higher than last year. Both the drinks and confectionery sections of the business had earned higher profits.

Deutsche Babcock cuts dividend

Deutsche Babcock, the West German machinery group, said yesterday it was cutting its dividend for last year to 6 per cent from 16 per cent in 1978-79.

The company indicated that earnings had not dropped from the 1978-79 level of DM40.8m September 30, 1980, to reserves.

The dividend cut means that the common share will drop to DM6 from DM16. Babcock also said the preferred share dividend would be cut to DM7 from DM17 the previous fiscal year.

Babcock earlier said its 1979-80 sales rose to DM5,000m, up 13 per cent from the previous year. At that time, the company also indicated that earnings would be the best in several years.

International

The payout per DM100 nominal (£8.2m) despite the cut in the payout. A spokesman said the managing board had decided to commit the greater part of earnings for the year ended

the non-sovereign credit is being raised by the three companies involved in the project, BHP Co of Australia, which has a 30 per cent stake, Amoco Minerals of the United States (30 per cent) and Kupfer Exploration of West Germany (20 per cent), the sources said.

The government of Papua New Guinea, which holds the remaining 20 per cent, said in December it would raise a \$70m credit for the project around the middle of this year.

Citicorp to finance mine

Citicorp International Group has been mandated to raise about \$100m (£42.7m) to finance the initial stage of the Papua New Guinea OK Tedi gold and copper mining project, banking sources in Hong Kong said.

The 12-year credit will carry interest at 0.5 per cent above the London interbank offered rates for part of its duration, rising to just under 1 per cent for the remainder, the sources said.

Sceptre spending plans

Sceptre Resources said yesterday that it planned capital spending for 1981 of £53.2m (£11.5m). Additionally, the company will be administering about £53.8m.

In Canada, Sceptre plans to spend £510m and is also the operator of a joint venture with the CS14.1m Sceptre 1980-81

exploration programme. Additionally, Sceptre operates a joint venture with the Sceptre Saskatchewan 80 programme which has a balance of £51.75m to be spent this year. About 100 gross wells are envisaged, along with spending on production facilities and land acquisition programmes.

Jobbers reported firm undertones in a steady engineering market. Again the second-liners were the more buoyant with most stocks closing much firmer on the day. Metal Box was unchanged at 180p, GKN, despite dipping 3p to 143p in the day, ended at 146p. P. Brotherton lost 1p to 160p but Clumb, after recent newspaper comments, added a further 1p to 91p. Vickers rose 1p to 149p and Beaton Clark on the back of a brokers circular, added 2p to 105p.

A flurry of activity was reported in shipping where Stag



Lord Aldington, chairman of Westland Aircraft.

increased in the spring. But the Government's defence spending cuts had seriously affected the flow of orders for spare parts, he added. Nevertheless, the company still had

consolidated Gold led the way down in gold and mining finance shares with a fall of 13p to 423p. But RTZ rose 5p to 438p. Dealers are still looking to Wall Street for further reduction in the United States prime rate after Morgan Guaranty's cut earlier in the week. The gold price, after rises overnight, fell back 14 to close at \$500.5. The heavy-weight golds followed the trend with Anglo American Gold down 3 1/2 to 385, and W. Diefenbain dropped 1p to 29 9/16.

Parts of nut and bolt distributor Walker & Staff Holdings have chased the price up to 25p recently. Observers reckon that having set up five branches in the Home Counties the group is preparing to sell off a large freehold in the box at £23,000, valued two years ago at £30,000, and reckoned now to be worth £50,000.

Equity turnover on February 10 was £128,975m (18,194 bar gains). Active stocks yesterday, according to the Exchange Telegraph, were GEC, Shell, ICI, Boots, Bowater, Barclays, Tricentrol, Imperial Group, Turner & Newall, Guinness, Pearl, BP, Associated Dairies, Becton, BAT and BTR.

Traded options: Dealers reported total contracts of £25. GEC attracted 151, Rascal took 124, Shell attracted 23, P & O 17, Lombar 41 and Land Secs took 37.

Traditional options: Dealers reported very quiet conditions with calls in Gold Mines, ICI, Charterhall, Endeavour, Oil, Turner & Newall, First National Finance and Johnson & Fifth Brown and Hampton Trust.

Puts were arranged in Thorn and Groviteel Mines.

Latest results

The provision for bad debts has remained almost static during the year. Specific provisions are barely changed at £1.59m while general provisions are slightly up from £4.36m to £4.79m.

Mr Sunderland says that the bank is taking an "indulgent" attitude to personal borrowers who cannot meet their debt obligations. It is also taking

\$ Forward bargains are permitted on two previous days

CREDIT
SECURITY
Credit of
ENTER
AND INDE
HOME HOUSE
TRANSFER
DIRECT

مَكْنَا مِنْ الْأَصْلِ

